

THE NO MONEY BOOK

BY
JAMES J VARELA

LIFE COACH

The No Money Book

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Disclaimer

As the old saying goes. “I cannot tell you what to do; I can only tell you what I would do if I were you. “Throughout the book, I will mention brand names of goods and services. I recommend these products to readers as I either use or used them myself or they are renowned for value and quality. As this book goes to publication, I receive no royalties nor any compensation of any kind from these manufacturers or service providers. I tell them to readers and let them decide if they are useful to their situation and needs. This book is not some get rich fast formula book. It is a plan for living. I did not invent the information the reader will learn they have been tested across time what I have done is as much as possible is to explain these methods in laymen’s terms. This edition is updated as it goes to print. Readers should use online No Money Book online resources such as the book blog and Twitter for the latest updates and news as you strive to overcome life’s obstacles meet your goals. This book teaches the mechanics on how to solve problems. It does not guarantee you will succeed that is determined in large part by you the reader on how hard and smart you are willing to work to achieve your life goals and your creativity and talent.

James Varela,

Sarasota Florida

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Acknowledgments

Most of the information in this book is not my invention. Over the last 52 yrs. of my life I have had many teachers and mentors who have pointed me the way on various challenges I faced.

Victoriano Alvarez 1900-1986.

E. Joseph Cossman 1918-2002.

Brainard L Mellinger 1920-1990.

W. Clement Stone 1902-2002

Dale Carnegie 1888-1955

Dr. Paul C Bragg 1895-1976

J. Paul Getty 1892-1976

Jack Benny 1894 – 1974

Napoleon Hill 1893-1970

Zig Ziglar 1926-2012

James P Varela 1936-1999

Preface

The Great Recession is now a memory, but for millions of Americans, daily life remains a constant struggle to pay bills let alone save money. Young people worry about college costs and future job prospects & Food Stamp & Welfare rolls stay at record levels, are are real poverty and near-poverty rates. This book is in many ways a personal memoir for me as I have lived through most of what I teach. The No Money Book is not a just a book on how to survive hard times it is a program for living in order for you to reach your fullest potential. Whether it is getting free legal advice, saving your home from foreclosure, career strategies or getting affordable health & life insurance or dealing with debt collectors, The No Money Book will help you deal with these issues.

I have written the information in the book with a straight to the point solutions to problems. It is impossible to provide in-depth knowledge on every subject covered so for more knowledge about a subject I refer you to further reading from an expert on that subject. If you are reading the printed version I would also recommend the Kindle book and place it on your smartphone, so you can read the materials for knowledge and information wherever you go and have a spare minute

For those aspiring business people who want to own their own business, this book will guide you on how to reach your goal using little of your own money and give you direction on how to turn your talent into a money-making enterprise. For those in business, you will find much of the guidance in this book on finance, business development, and sales management and generation.

Across my adult life, I dealt with health crises when uninsured, had to struggle to pay for College, had to cope with a catastrophic illness hit my family when I was in my early 20s that ate nearly 20 years of my life and the aftershocks I still feel today. I faced personal bankruptcy and credit issues. I know what it is like to be forced to work jobs that were beneath my intelligence and education as I was living in an area that afforded little job opportunity for young people. I know the struggles of job seekers as I have been both a job seeker in areas where there was often limited opportunity and a recruiter for an IT staffing company in Los Angeles for a time.

If you under 35, you will find The No Money Book a useful tool. The Millennial generation has been financially damaged due to Washington Policies and changes in the world economy. For example: In 1965 the median age of the new Corvette or Porsche or similar sports car buyer was under 30. Today most buyers for these kinds of cars are over age 55. My parents bought their first home, a 2100 sq. Ft house with a two-car garage in a nice middle-class area in 1969 for \$21000. Or \$142000 in 2018 dollars. That house would sell for \$300 000 in 2018. Small wonder Millennials are struggling to afford homes. Today's young people under 35 are the most strapped generation of young people since the 1930s.

Many young people are drowning in Student Loan debt, many are graduating and making the same, or near the same incomes, their parents earned in the 1990s while prices for homes and new cars get further out of reach. If you are struggling and cannot find any solutions this book will guide you. If you are in a job that is not what you want to do with your life and have a dream you do not know how to make reality read this book cover to cover and upon the last page, you will have the answers and direction you need.

It never ceases to amaze me to what a degree people waste money. The WWII generation that lived through the Great Depression knew the

value of a dollar which is why so many could work and live well and still save money. Read the No Money Book cover to cover, and you will never view things as a consumer in the same way again. The emphasis I put is on thrifty living, not cheap living.

About the Author

James Varela was born in Dubuque Iowa and raised in Sarasota Florida. James' life has been a roller-coaster ride across the socioeconomic landscape of America. When he turned 23, his mother was diagnosed with a terminal liver disease which interrupted the course of his life and the effects of this crisis would last for years. During the hard years of early adulthood, James was living in a small Florida town and unable to move away due to his mother's illnesses. During these years James had to deal with personal illness with no money or health insurance, legal problems when professional legal advice was unaffordable. James knows how it feels to be forced to work a job that is beneath one's skills, education, and intelligence and to endure unkind remarks and gossip from ignorant strangers who are unaware of your circumstances. Despite these early obstacles James went on to earn two University degrees. A.S. in Computer Information Systems & B.A. in Public Administration. The home he lives in was built in 1987. When the house was built, the neighborhood was considered a working-class neighborhood today many of his neighbors are young college educated people. During the thick of the Great Recession friends and acquaintances having hard times for the first time in their lives came to James for advice which he tried to give, and these people often would comment "You Should Write a Book!" During his adult life James worked in retail sales and management, auto and real estate sales, technology sales and human resources. Today James is a Disability Specialist and works for the State of Florida Department of Children & Families.

Direction

When you were a child in school, your math teacher taught you mathematics; your history teacher taught you history and your English teacher taught you English.

I teach direction

Direction is the single most important point of this book. In life, you must have a direction to reach your goals and dreams and overcome problems, and The No Money Book is that direction. One of the main reasons I wrote it was to help young people. When I was in my twenties and most of my thirties I struggled and felt great sympathy with today's young people. The unstable job market which offers wages and salaries stuck in 1999 as well as the student loan racket is hurting young people the most. My sincere advice is to realize it's not your fault, today financial security for people under thirty even for people with college degrees today is hard to achieve. If you are ready to take your own life into your hands, The No Money Book belongs on your Kindle or me Phone or Nook.

What Can You Expect to learn from The No Money Book?

- Hard times Survival Skills: Debt defense, Low-cost legal help, create your own benefits package when your job provides none. Thrifty shopping and living.
- Job and Career Strategies: Tapping the hidden job market. Government jobs, job seeking skills. Resume tuning.
- Health Care: Insurance for the uninsured, real prices on overseas cosmetic, dental and guidance on affordable health care issues.

- *Learn the System*

The No Money Book Ten Commandments

1. **Thou shall live beneath one's means**
2. **Thou shall always have more than one income source**
3. **Thou shall always live thrifty but never cheap**
4. **Thou shall cut the cable /satellite television**
5. **Thou shall waste nothing**
6. **Thou shall start living not simply surviving**
7. **Thou shall manage “business “and personal relationships correctly**
8. **Thou will always put something each month away to long-term savings**
9. **Thou will get at least a two-year College Degree**
10. **Thou shall commit to physical and mental fitness**

Chapter 1

No Money Crisis / Emergency

*“You Cannot Live Your Life Without Going Through a Personal Crisis, You will
Never Avoid them you can only prepare for Them”*

James Varela

Introduction

This chapter is for people in crisis. The information in this chapter will help you stabilize your finances and move on and come back and fight another day. In these situations, the most important goal is immediate stabilization of the crisis to restore stability to your life. You will find these tools as powerful weapons.

When a submarine is in crash dive mode, the Captain must take drastic steps to save the boat. In hard times you must make similar decisions, you would not have made in better times. In the business world, the cold reality is you must put your interests first because if you do not, it is unlikely anyone else will. Throughout this book, I will refer to financial matters or work matters as the business world. **The business world is the world you interact with outside your close circle of friends and family.** Later I will go into this in detail. For now, read this section to understand these key points.

- If you are in debt it is likely you do not owe that money to a person who was your best friend since childhood who put faith in you and now you, and now you are leaving them without payment. When you owe money to a bank or on a credit card or any consumer debt you owe that money to a multi-billion-dollar bank or similar organization where you are a faceless number on their balance sheet. The Bank and Credit Industry know in the business world losses occur, and the marketplace will absorb them, and business goes on. If you are overwhelmed with bills, give yourself a break you are not alone. If you are in circumstances where an attorney has told you bankruptcy or another debt charge-off may be needed, then do so and do not worry yourself over it. The American free enterprise system is a profit and loss system and situations like yours happen every day.

Never attempt to negotiate with a creditor on your own. This book will teach you how to get affordable legal help.

Never file bankruptcy on your own. You need a bankruptcy attorney, not some guidebook or the services of a paralegal.

A. Crash Dive!

Part of Submarine warfare involves a Submarine Commander to order a crash dive when the boat is under attack by enemy ships and

needs to make a fast and covert escape. During hard financial times, when you are overwhelmed with unpaid bills, home facing foreclosure, unemployment, and letters from collectors you need tools and information. This section, we will go over the steps to restore peace and order to your life.

This section of the book is for people struggling in hard times and are looking for a path out. For those facing a financial crisis situation, this section is the most important in this book. The government keeps saying the U.S. economy is strong. To a degree, this remains correct. The country had come a long way from the near collapse in 2008-2009 but for many families' life is a struggle.

We all like to think the United States is a country where someone born into poverty and rise through hard work and talent to achieve success, to a large extent this is true. America has many rags to riches stories but in recent years' other nations have surpassed the United States regarding social mobility. In 2017 about 50% of Americans were in the middle class the rest were wealthy or living in poverty or near poverty. The one-time millionaire living on Food Stamps and the onetime factory worker who struck it rich by inventing a profitable gadget have become rarer and rarer in the last 30 yrs.

I turned 50 in 2015, and I am old enough to remember the 1960s and 70s when middle-class Americans could afford to buy a new car and pay it off with a 3-year car loan. My parents bought their first home in 1969 with a 20-year mortgage. The reason I am citing these statistics is most people having hard times will often blame themselves as I did when I was a young man. During these years I was like the character of George Kellerman in the 1970 film "The Out of Towners," brilliantly played by the late actor Jack Lemmon. "I did not work or try hard enough, I did not handle my money smart enough, I am not disciplined enough "and on and on. When I was in my 20s and 30s, my mind worked in the same

fashion, and it caused me untold personal anguish. Please give yourself the credit you are no more or less intelligent than anyone else and realize you are not as alone with your money troubles as you think you are. It is not my intention when to dump ice water on people's dreams but to wage a fight; you must have a precise assessment of the challenges you face. Read the No Money Book from cover to cover and apply the information in it, and you will see it will guide you to a better tomorrow.

This chapter I created for people in a life meltdown. You are without a job, and regular income and creditors are hounding you or possibly there is a health crisis in your family. This chapter shows a game plan designed to stabilize your circumstances that will enable you to recover and come back to fight another day.

Running Submerged:

I suggest everyone who is having financial problems either rent a PO. Box or better if you can afford a local different mailing address. Your options are:

PO BOX. Getting one is a simple process, go to your nearest Post Office.

Mail Box Rental places are all over the United States. One of the largest in the United States is PAKMAIL. Mailboxes Etc. And so on. Fees vary by location and vendor.

Virtual Office Virtual Office Packages can be pricey but depending on your circumstances you can get a package which includes a phone number, mailing address and mail forwarding for anywhere from \$60 a month on up.

General Delivery I do not recommend doing this unless utterly necessary. General Delivery means your mail will go to the main Post Office in your town. You will need to contact USPS.com to learn which post office is the main one. Your mail will be delivered there, and you will need to go to the main Post Office to collect your mail. General Delivery is often how the homeless and people with no address get their mail.

John Joe
General Delivery
Hollywood CA 90027

211

If you have a medical emergency, you dial 911. If you have a life emergency dialing 211 works in the same manner. They can give you information on food banks and food pantry locations and a wide range of help that is available in your community. 211 information is on the internet by searching 211 and your county name.

Debt Collectors:

You do not need to deal with collection agencies. The Fair Debt Collection Practices Act of 1977 is a law that gives debtors the right to demand that debt collectors stop calling you. To be legal, you must formally request this by sending a "Cease Letter."

Your immediate concern is getting them to leave you alone. If you do not have access to an attorney use, this cease letter. Later in this book, you will learn how to get free or low-cost legal help, but for now, this ceases Letter will stop debt collectors cold. Use the cease letter now later in Chapter Twelve I go into strategies on how to manage this debt problem.

You can obtain a Cease & Desist Letter free around the internet. Here is an excellent site with several

<https://www.template.net/business/letters/sample-cease-and-desist-letter/>

This letter is only a sample. You can find others online that may be more relevant to your situation on the web.

The letter need not be notarized but should be mailed certified mail. You should always maintain a copy for yourself when you sent a cease letter. Sending the cease Letter is step one. Next step is you must put a lawyer in your corner. Chapter Seven instructs you on how to find free or low-cost legal help.

Health Emergency

If you have no health insurance and need medical attention your local public hospital emergency room cannot turn you away by law. You will be responsible for any charges, but the hospital will allow you to pay off

any charges with affordable payments. You will find hospitals very reasonable when negotiating payments.

Another source is your local County Public Health Department Clinic. Depending on where you live your County Health Department maintains a clinic where they will see patients for health issues including dentistry. You will need to get a clinic card, and in most parts of the country, services are on a fee scale based on a patient's income. They may be able to help with prescription drugs

Chapter Two goes into this topic in more detail but for now, use these two sources if you are in financial crisis and sick and in urgent need of medical care.

Death in Family

A death in the family is always a painful time. The stress is made worse when there is little or no money for a funeral and or burial. The first place to seek help is to ask the hospital social worker or clergy or contact financial services at a local Funeral Home. The hospital patient financial services dept should be able to direct you to what services in your community are available. If the deceased was a Veteran, you should contact the nearest office the VA (Veterans Administration) to learn what services they can offer. You must contact Social Security when a person passes away. The Social Security Office can assess your situation and inform you of what benefits if any are available.

Facing Eviction

Eviction laws vary from State to State. If you are behind on rent and getting eviction notices and cannot pay your first step is to try and contact your Landlord and explain your circumstances and ask if they are willing to give you an extension. Most landlords do not like forced

evictions as they are an expensive and ugly process. In a bad economy, a landlord may lower rent to keep a tenant that in the past has been reliable. But if you are behind you can offer to get caught up by asking the landlord if you can make up the sum by paying a little extra amount each month until the past due is paid. Most landlords will usually work with a tenant if the tenant shows good faith.

211

As mentioned earlier This is sometimes called “First Call for Help “it is the hotline for The United Way in most places. 211 is emergency hotline like 911 which tries to coordinate the efforts of private charities. 211 Services varies across the country, so you need to call your local chapter to see if they can be of any help to your housing crisis.

HUD

The HUD (Housing Urban Development) website has information on what the laws are concerning tenant/landlord issues. Go to the HUD web page for your State and in the search field input “Tenant Rights, Laws, and Protections.”

HUD Housing. HUD has programs for public housing also called section 8 subsidized housing. Be warned waiting lists for both programs are long. Contact your local HUD office to apply.

Churches

In a worst-case scenario, some area churches so have facilities to house people in extreme emergencies. Usually, 211 can direct you if these services are available.

The lesson learned here is you need to monitor your finances always and never allow yourself to get into a situation where you are on the streets. If you have bad times, try and take in a roommate or see if you can stay with friends or relatives before you run out of money. Follow the lessons in this book about saving and spending, and you should not find yourself in this situation.

More Reading

Negotiate and Settle Your Debts: A Debt Settlement Strategy, Mandy Akridge ISBN-10: 1449961509

Chapter 2

No Money & No Benefits

“The Republicans have a new healthcare proposal: Just say NO to illness!”

— Mark Russell

Introduction

Getting sick and having no health insurance in The U.S. is frightening. I have many Canadian and European friends who cannot fathom how such a wealthy country like the United States cannot guarantee access to health care to all citizens as a right. My late grandfather was a respected Cuban Surgeon who was an official if the Ministry of Health in the pre-Castro Cuban healthcare system and even during this era Cuba had a public healthcare system. If you are among those people who are working two or three -part-time jobs or are self-employed it's likely you are getting few if any benefits you will need to create an affordable benefit plan for yourself and family. This chapter is one the most important in this book.

Your personal benefits plan should include

- *Health Insurance*
- *Dental*
- *Vision*
- *Life Insurance*
- *Pension*

My own No Money No Health Insurance Horror Story

I entered my 20s in the mid-eighties with serve oral health issues. During this time was working but the job did not provide any health insurance. I dealt with the crisis as best I could with trips to the County Health Department clinic for fillings, but by the time I turned 30 in 1995, a dentist told me it was either crown all my teeth or have them extracted and wear dentures. At this time, I was struggling to get by had little money and had to ask my father for financial help and it was very embarrassing and a huge blow to my pride to have to do this at age 30. My father who passed away in 1999 was at that time the General Manager of a major Hotel on Miami Beach and well-traveled in Mexico and South America he advised me to go to Mexico or Brazil to have them fixed as he did, how I wish I had listened to him. The cost would have been a fourth of the cost in the United States, and the quality is excellent if you shop carefully. Being naïve about Dentistry at the time and like most people I had blind faith in the professionalism and humanity of my doctors at the time I believed every word they told me. I had a MasterCard with a \$50k credit limit and zero balance which I later came to suspect the dental clinic had checked for its credit limit when they first met me, both the office patient financial person and the dentist talked me into a full mouth rehab which they estimated would cost \$30k. Their sales pitch the time was \$30k was a worthwhile investment I was young and soon to be working in information technology in California or New York I could pay the bill over a few years by making sacrifices and thrifty living. The Dentist and his staff told with the prudent care they would last a lifetime. The final costs were by 1999 was 37k. Six months after they were completed I moved from Florida to California to take advantage of a career opportunity, and within a few months, my costly dental work began falling apart. First, a bridge with four crowns collapsed then front crowns were getting loose. No local Los Angeles area Dentist would touch my mouth as they could see the work was new and badly done. I was forced to return to Florida but was never able to get a meeting with the Dentist who owned the

clinic where the work was performed, and I was brushed aside by his Office Manager who blamed me for all the trouble and offered to fix my mouth again at a discount! I consulted with a medical malpractice attorney who wanted to see my older 1991 dental X-rays from the County Health Department. The attorney showed them to an expert who confirmed by the time the Dentist who crowned all my teeth began working on my mouth most of my teeth were in an advanced stage of decay and should never have been capped or crowned. The attorney informed me I had grounds for a malpractice suit, but the case could drag in the courts for years. I looked for legal help in filing a negligence lawsuit. No attorney would represent me on a contingency/percentage fee, and others warned me whatever judgment I got would go to pay legal fees and court costs. I then had to spend all my savings from California and go into debt again to have an oral surgeon remove all the faulty dental work, and today I wear dentures. The sour economy in 2001 and joblessness was the final blow to my finances in 2002 faced with a lawsuit from a credit card creditor which I charged a great deal of the dental work I was forced to file for Chapter 7 Bankruptcy. Throughout my life, I have always been able to overcome any obstacle thrown in my way this crisis with my teeth proved to be too overwhelming and made worse by an unethical dentist.

I tell this story to readers not to engage in self-pity but because there are valuable lessons to be learned from it. In most nations with government-run healthcare systems the healthcare system does not offer dental services beyond fillings, pulling, and Dentures for a reason. Crowns and bridges are costly and seldom last as is so often claimed “a lifetime. “Selecting any doctor should not be taken frivolously. Investigate them on the Internet and even the BBB Better Business Bureau for any complaints

What would I do if had a deal with this challenge 1 again?

I would not have brought to the office a credit card with such a high credit limit. An attorney I spoke to about my case at the time said what likely happened is the office manager at the dentistry clinic saw the high credit limit and zero balance, and likely this played a major role in the office manager pushing for a total oral rehabilitation plan.

Do not have blind trust in any health care professionals, doctors, dentists, plastic surgeons, etc. there is too much quackery in medicine today. Investigate their credentials which can be easily done online at [Healthgrades.com](https://www.healthgrades.com) or local Better Business Bureau.

Ask the dentist who wants to crown a tooth “will there be enough tooth structure left to hold the crown or bridge.” How many readers have spent a mint to crown a tooth only to have it come loose after a short time leaving you holding it in your hands with the post sticking out of the back?

Do not fear dentures. I recall one dentist at the dental clinic that defrauded me once telling me when I asked about them early on, and the reply was “at your age? that would be tragic “, or “How would you feel carrying around a 1954 Cadillac in your mouth!?”

Nonsense. Today’s modern dentures are lightweight. But it’s important to get the best ones possible which will cost about \$1000-\$1500. For me once I glue the upper ones with denture glue it takes a few minutes for them to settle in once they do I forget they are there.

The lower ones are more problematic than the top. I must glue them in sometimes three times per day because the law of gravity is working against you. But when they are in the dentures should be firm and secure I eat almost everything I did before except hard fruits like Apples, everything else is fine. They do take a little getting used to, but you will. If you can afford dentures secured with dental implants you should satisfy with the results. I am not saying having to wear dentures is the greatest thing in the world, but you can learn to live with them thanks to today's technology. Many notable people wore dentures such as Clark Gable, Winston Churchill, and George Washington who wore ones made of wood.

Use care in investigating the background of any healthcare provider. Today patients have the internet as a tool, and I urge you to investigate the background of your health care provider which can be done on the web or contact your local Better Business Bureau.

If you are not able to get Medicaid or other government health insurance for people with low incomes, you have two options, and you should use both if possible.

Dental Insurance

Dental insurance is different from general health insurance plans. Most offer free services and other services at reduced prices. A sample of dental plans:

<https://www.ehealthinsurance.com/dental-insurance>

Monthly premiums can vary on these plans. When selected, a plan pay close attention to prices for fillings, crowns and bridges, and cleanings.

Health Insurance

Assuming you do not qualify for any government-sponsored insurance such as Medicaid or Medicare

Hospitalization Only Insurance

Sometimes called “Hospitalization and Surgical Plans. For those not eligible for any other health insurance an alternative I used for 15 years is a **HOSPITALIZATION ONLY** insurance policy. These policies only pay hospital bills and do not cover doctor’s visits or any other benefits. These types of coverage are not ideal health insurance, but it is some protection for those who have no other choice. Plan availability can vary from State to State. To find one in your state go to Google.com and enter the following words into the search field. **HOSPITALIZATION & SURGICAL PLAN & YOUR STATE’S NAME.** I used Blue Cross Blue Shield Essentials if it is available in your State I cannot recommend it enough.

High Deductible Insurance – Consumer-Directed Plans

Another policy that is not ideal but an opportunity for someone with no alternative. Many young people use high deductible insurance as the premiums are low. Most major insurance carriers offer such plans you

should shop around and make sure you know what benefits you will be getting.

Vision Plans

Here again, <https://www.ehealthinsurance.com/vision-insurance> is a good guide to obtain a plan. When selecting a plan, you need to pay close attention to costs for annual exams if any. Unless you have very good insurance, it may be more worthwhile to buy your glasses online. I have used and recommended

39Dollarglasses.com

Zenni Optical

Goggles4u.com

Life Insurance: Life insurance is important to everyone no matter what your age. Anyone can die at any time, and you do not want to leave grief-stricken loved ones at the expense of a funeral. Young people can get \$10,000 - \$50,000 + term insurance for a small monthly premium. I believe Term insurance is a better value than Whole Life Insurance. Selecting an insurance carrier is important. I recommend these big three.

MetLife <https://www.metlife.com/>

Mutual of Omaha <http://www.mutualofomaha.com/>

John Hancock

<https://www.johnhancockinsurance.com/life/default.aspx>

Drugs/Pharmacy Benefits A prescription drug plan is vital to any form of health care. Premiums vary Here is mine, but I recommend you use Google to see if a better plan is available. Insurance carrier offers some plans in some parts of the country that they do not offer in another so make sure the plan is available in your State.

Humana <https://www.humana.com/pharmacy/individual-and-family/>

Overseas Health Care

Overseas healthcare can be a bargain, but this depends on your situation. In many countries, the quality of care is equal to the U.S. and services often cost ¼ the cost in the United States. Most Americans who go outside the country go to Mexico or Costa Rica. With recent developments in Cuba no doubt the Cuban Government will want to exploit its world renown healthcare system for profit selling services to tourists. My grandfather was a prominent physician in pre-communist Cuba and even before the 1959 communist revolution health care quality was high.

I am often asked. What are real prices for dental work and other health services in a place like Mexico? prices on the Internet are at the high end

of the scale. Health care providers in Mexico and elsewhere are aware of what their services cost in the United States depending on where you are living doctors appts will cost 350 to 500 pesos (about \$30 to \$43). Mexican doctors still make house calls and will cost about the same. Services such as Lab tests will cost about a third of what they cost in the U.S. A CAT scan or MRI often costs about 25% of what it does in the U.S. An overnight stay in a private hospital room costs less than \$100. A visit to a dentist for teeth cleaning costs about \$28.”.

<https://internationalliving.com/countries/mexico/health-care/>

Other countries where so-called health tourism is thriving is Thailand which is home to the world-famous Bumrungrad Hospital. Argentina has excellent cosmetic surgeons. I cannot use this book to recommend doctors that take knowledge of your medical history. A place to start is to contact the embassy of the country where you plan to visit by checking the State Dept List

<https://www.state.gov/s/cpr/32122.htm>

Most embassies and consulates can guide you with updated information on local health care services. Another place to look is on the internet but beware prices will be higher, so you need to shop around the target country for real-world prices.

An important thing to consider when you go abroad is it worth it? You will incur travel expenses and lose time from your work so think carefully about the dollars and whether it is worthwhile.

Pension

Everyone needs to develop a long-term savings plan. A Roth IRA is the best savings plan available. You can open an IRA for as little as \$1000 and ideally you want to put a minimum of \$100 each month. A recent report showed that half the American public does not have enough cash on hand to get through a \$2000 emergency. If you apply the money-saving principals in this book, you should be able to find that \$100 easily by just dropping cable/satellite television. People should start saving as soon as they start working. The greatest gift a parent can give to a student at graduation is a savings account or retirement account and impress upon them the importance of having long-term savings that never gets touched unless you are facing homelessness or hunger. Young people also need short-term savings to account for emergencies.

If you follow the thrifty living principals in this book, you should have no problem-saving.

More Reading

Outpatients: The Astonishing New World of Medical Tourism Sasha Issebberg ISBN-10: 0990976386

Insurance for Dummies Jack Hungelmann ISBN-10: 0470464682

Chapter 3

No Money for New Car

*Car Designers are going to have to come up with an automobile that outlasts the
payments*

Erma Brombeck

Introduction

Today a reliable car in most parts of the country is not a luxury but a necessity. Today the average age of cars in the U.S. is at a record 11.4-year-old. The cause has been that car prices have nearly doubled adjusted for inflation since the 1970s while median incomes for the great majority of families have remained flat or have gone down. If you are of limited income, you have two options.

Drive the Cheapest New Car

For those who want to buy new, these are the top 5 least expensive cars on the market at this writing in The United States in 2017.

Nissan Versa \$12,825 (including destination charge)

Chevrolet Spark \$13,535

Mitsubishi Mirage \$13,585

Ford Fiesta s \$14,565

Kia Rio LX \$15,515

These are sticker prices. Given the low prices, it's unlikely there is much room to dicker, but there are three points you should follow when buying one of these cars

Learn to love the stick shift: In most nations of the world, most cars and trucks on the road are stick shifts. Americans love automatic transmissions, and car makers are always crafty and make it part of an expensive option package which drives the prices of cars like the ones on the top 5 closes to \$20k

Buy the old-fashioned way Put as much down as possible and pay off the balance as fast as possible

Buy the extended warranty Should you want to keep the car for a while this is a good protection

Buy the Pre-Paid Maintenance if offered Many dealers offer pre-paid maintenance such as oil changes and tune-ups for a certain amount of years, and the cost is spread across the car loan and at a lower cost. In most cases win-win for the dealer and customer.

Used Car

If you are buying a used car no matter how good condition it is in, no matter what the mileage on the odometer, it is likely the car will need repairs after you buy it. Belts, Batteries, Alternators, brake rotors, wear out like the tires. Here important points to follow when you buy and then own a used car. A 2-yr. Old Honda Accord with 35k miles is going to need new brakes and tires if the car has the originals.

Maintenance & Repairs Every old car owner should have the names and phone numbers of at least **three** trusted backyard mechanics you can call on for repair work. If the car breaks down or needs maintenance and it will the back-yard mechanics can save you a mint. If the car breaks down, you can have the car towed to that mechanic's home for repairs. I recommend you only use backyard mechanics recommended to you by reliable sources such as friends or co-workers. My own experience in hiring off sources such as Craigslist have not been happy ones, and I hear more negative stories about these kinds of stories than happy ones.

AAA Membership or another comparable motor club - Yes you need it.

My own experiences: I think the best deal is the new, used car. A new, used car is a current model year vehicle that may have been a dealer demo or an off-lease car or a former rental. These cars usually have low mileage and if you shop around you can get a great deal. Go to Autotrader.com and select used cars and pick the current year as you start the year and see what new used cars are available and compare sticker prices. When asking the seller about the new, used car ask about warranty and see if an extended one is available. Most new, used cars bought from a dealer can be leased. A nearly new car is the current year car, but it may have low mileage. Usually under 10000 miles.

Sometimes these cars can be former demos, rentals, or reports. Since they are pre-owned, you should use the same caution as buying any used car. Check its history on Carfax to make sure title is clean. Savings can be huge. To find these cars go to autotrader.com or cars.com or a similar site and in the search, field put the current year and choose to make and model. These sites will help you when you compare the price brand new as different makes of car depreciate differently. For example, in the summer of 2016:

2016 Ford Taurus Limited - Brand New \$32000

2016 Ford Taurus Limited 13k Miles \$ 21000 Asking Price

Do not be timid to dicker on these new, used cars you can frequently talk the price down but how much depends on the make and model. Also, note the new used car's mileage. New tires last 45 K miles, same for brakes. You need to look ahead and what expenses you will have soon when negotiating. If you buy a Bargains in new, used cars can be found after new year's. January and February dealers want to remove any last year's models still unsold. I bought in January 2004 a 2003 Mitsubishi Montero Sports XLS 4x4 with 21000 miles that had a \$29000 sticker for \$17500 on a lease which included the pre-paid maintenance.

New used cars can be found by going to an internet site such as Autotrader.com or Cars.com or Lemonfree.com and doing a used car search under the current year. Another place to find new, used cars are the rental agencies. Avis and Hertz have dealerships across the country where they sell off their retired fleet cars.

The most important thing to remember when car shopping is to think with your head first and heart second. A car is a large investment, and there is no good buy on the wrong car. One common mistake I see is people of modest means buying old luxury cars. Modern cars built after 1990 are loaded with all kinds of high tech engineering electronics what such as oxygen sensors to regulate emissions, ABS brake systems, computers to regulate the various parts of the car. These things break and malfunction when they get old and cost a fortune to fix. Unless you are an expert mechanic who likes working on your car, you will save yourself much grief by staying on your budget. Remember buying the car is only step one. Car ownership also comes with maintenance and repairs, and old luxury cars are equipped with all kinds of features that malfunction and wear out over time and use.

More Reading

I Never Wore Plaid: Insider secrets from a former car salesman: (Car Buying Guide - Car Buying - Buying a Car With Bad Credit - Leasing a Car -Car Buying Strategy) Joel Grey Amazon Kindle ASIN: B00IC8EW4M

Chapter 4

No Money Need Part Time Job

We are all lectured to as children to have a good work ethic. The reality today is employers often look as employees as a cost they would rather not have. Never fall in love with something that cannot love you back. You are there to earn your living

James J Varela

Introduction

Most Americans have not seen an increase in real income in 20 yrs. In the meantime, the cost of living has continued to increase. Even today many professionals are doing part-time employment to cope with the ever-increasing cost of living. For many older adults, this can be a difficult and at times a humiliating experience. This chapter is for people facing this situation and how to minimize the injury to your pride.

My Own Story

This chapter has special significance for me. 2001-2002 was among the worst years of my life. The national economy then coming out of the dot.com bubble recession and my unemployment benefits had ended, and I needed a job. Stuck again in a small Florida town in bad local economy which had little opportunity the only places hiring are the places I had worked as a much younger man in College such as convenience stores, Pizza delivery, retain and related low skill service jobs. Anyone who has ever been in this situation always has the dread someone that someone they know will see them working in such a place. I am not trying to demean people who work these jobs. With all work there is dignity, when comes to low paying jobs I have done them all and have many fond memories of the people whom I worked beside. However, when someone with an education and is older is seen working in a job of this sort it causes embarrassing and uncomfortable wonder from strangers who know nothing about you or your life. In my case two years before I had left for California with great fanfare and everyone who knew me thought I had moved away and was now living a happy and successful life in Los Angeles which all my family friends knew it was my dream since I was a teen. I felt mortified at the thought of someone I knew seeing me back home again and working at the local supermarket or doing some similar work. A friend told me that the Wal-Mart Supercenters are open 24hrs and they are always looking for night crew to stock shelves. I applied and got the job. My first night on the job surprised me. All my co-workers were people my age or older in similar situations and many walks of life. One of my supervisors, a former Air Force staff Sargent,

invited me to his wedding. While employed at Walmart another co-worker a 58-yr. An old former industrial executive whose job was once setting up new operations overseas and had two College Degrees, and he taught me much about work and career. He told me the only reason he took the job was for the health insurance for him and his wife until they turned 65. I did this job for about a year and had nothing but fond memories of those people today. I tell this story to readers who may be in this situation, so you can see you are not alone and have nothing to be ashamed over. Bad national economic policy for decades is to blame for your situation, not you or anything you did.

Grave Yard Shift

If you can cope with working by night and living by day, this is an option. As I said earlier in 2002, at a low point after my bankruptcy, I spent nearly one year working the night shift at Wal-Mart. I took the position reluctantly never having done this kind of hard, blue-collar work, but I quickly found all my crew-mates were people the same age as I and in similar circumstances. For those Wal-Mart haters I can only tell you the manager of my store was 40 something woman who began working with the company as a cashier when she was 20, worked her way up to department head than one of the three store Assistant Managers then finally the company gave her a store to manage. It is rare today that someone with no College education can achieve this kind of success.

Typical Grave Yard Shift Employers

Walmart

Walmart's replenish their shelves at night when there are few customers. All kinds of opportunities can exist if you are willing to do the graveyard.

McDonald's

Many McDonalds are now 24 hr.

Convenience Stores

7-11 and similar stores are often looking for graveyard shift workers. Evenings are typically peaceful, but there is always the threat of robbery

Gas Stations

Most gas stations are 24 hrs. today

Hospitals

Opportunities depend on where you live. You need to contact your local ones to see what is available

Hotels and Motels

24-hour Family Restaurants

Answering Services

We've seen the products listed for sale or on television and asking the caller to dial 1-800. When you do you rarely reaching the vendor but some call center the product vendor outsourced the order lines. Here is another place of employment where you do not experience face to face contact with the public. Look in your area to see if these kinds of opportunities exist in your town.

24 hr. Gyms/Health Clubs

If you are physically fit a night shift job at your health club will allow you to stay fit and earn an extra income.

Bar Tending

If you can mix drinks, this can be a lucrative part-time job.

Uber

If you have a reasonably fuel-efficient car being an Uber or Lyft driver can be an excellent source of part-time income. To learn about opportunities

Uber <https://www.uber.com/>

Lyft <https://www.lyft.com/>

Always check with your local State employment office. They are in touch with employers in your community, and they too can be the source of leads.

Further Reading

The 60-Second Income Idea: An Easy Guide to Find Your Next Full-Time, Part-Time, Online or Home Business Inspiration Deborah McCabe Amazon Kindle ASIN: B01B5BLFGA

The Passive Income Playbook: The Simple, Proven, Step-by-Step System You Can Use to Make \$500 to \$2500 per Month of Passive Income - in the Next 30 Days Raza Imam Kindle Amazon ASIN: B07B8XH9CR

Chapter 5

No Money for Mortgage

A home is one of the best investments you can make, if you are struggling with the mortgage payment you likely bought a house you cannot afford.

James J Varela

Introduction

The worst of the foreclosure crisis is behind us but with so many families today living paycheck to paycheck – hand to mouth making the mortgage payment each month is still a struggle. This chapter deals with strategies on what to do if you cannot make your mortgage payment.

Hardship Programs. Most banks have hardship programs to assist borrowers undergoing temporary financial setbacks. These programs vary, but they frequently include.

Loan Modification: Your bank or mortgage holder agrees to make permanent changes to one or more of the terms of the mortgage contract to make your payments more affordable to you. One changes to the loan if any will depend on your financial situation. Permanent loan modifications may include reducing the interest rate, extending the term of the loan, or adding missed payments to the loan balance. Sometimes, a loan modification also may involve reducing the amount of money you owe on your primary residence by forgiving, or canceling, part the mortgage debt.

If your financial situation is dire you may wish to consider:

Renting: If you have a place to stay, you can rent your home assuming the rent will be high enough to cover the mortgage. Renting your home is often a hard decision for people to make but if you are unemployed, it will free you to look around the State or even the country to take a good career opportunity wherever it may be.

You can always keep the house as an investment property or sell if you are moving to a new town or State.

Short Sale: Your mortgage holder will allow you to sell the home prior to foreclosing on the property, agreeing to forgive or write -off any shortfall between the sale price and the mortgage balance. The biggest advantage is a short sale it only bruises your credit rating and allows you to move on with your life and begin repairing your credit

The Department of Urban Housing Development (HUD) has a program called “Making Home Affordable “

<https://www.makinghomeaffordable.gov/pages/default.aspx>

I called this service twice pretending to be a homeowner in distress and was unimpressed. In both calls the so-called housing counseling expert, they were reading from a script on a teleprompter. In both calls, the HUD Counselor spoke to me as I had the IQ of a hamster. The expert advice was everything you can find on the internet. You can call and see if there is something they can do for you, but I see nothing that you cannot do yourself with this book.

What should I do?

When we were in the thick of the foreclosure crisis I had many overwhelmed and underwater homeowners asking me if they should walk away from their homes. The answer depends on the situation. In my area of Sarasota County as well as most of the country property prices have recovered to pre-crash levels. My advice if you can hang on to the home by using one of the methods above do so. The only way I would be interested in letting a house would be the local market is in decline due to a factory closing or some local economic situation where people are leaving the area in masse. Then you may need to let the house go and start over.

Except for very depressed markets like Detroit no home today was worthless in inflation-adjusted dollars than it cost in 1980. Prices may dip in recessions or for other reasons, but in the long term, it is the best investment you can make if you buy it right and at the right time.

My Own Real Estate Crisis Story

At the time of my mother's death in 2010, her home bought in 2002 for \$105k and by 2006 worth \$250 K had shrunk back to its 2002 value. She had put an interest-only second mortgage on the house in 2007 to make home improvements and pay off some nagging bills. When she died, I contacted the bank and offered to purchase the house for its current 2010 market value, but the bank refused. It took two years for the bank to foreclose and sell the property and it sold for the price I had offered to buy it two years earlier. Those crazy days of 2009-2011 are thankfully past, and I pray we will never see a property crisis of that magnitude again. Real Estate is one of the most secure investments you can make but

remember the adage about the property. Location! Location! Location! My mother's story also shows that property prices are not subject to the normal market forces of supply and demand. In Los Angeles County, for example, real incomes for most residents has remained largely flat since 1999 while rents and property prices have tripled. When buying it is important to study the local market. Are most real estate sales to people or some holding corporation? A corporate sale can mean either an investor or land speculator. If the market is being fueled by investor/speculator sales sooner or later, the bubble will pop as it did nationally in 2008.

Recommended Reading

Defeat Foreclosure: Save Your House, Your Credit... (Kindle Edition)
by William Dorich, Merle Horwitz ISBN # 9781882383-16-0

How to Stop Foreclosure in a Week: The Quick and Easy Way To Save Your Home and Family (Kindle Edition) By Bob Perry

Chapter 6

No Money Older Workers

“Older workers should be the most valued members of any workforce. They are filled with years of experience and street smarts “
James J Varela

Introduction

This chapter is for older people either in retirement or perhaps find themselves jobless past age 50. Age discrimination is illegal, but we all know someone who has been turned down for a job despite being the best qualified due to age. This chapter will go over strategies in dealing with this problem.

My Family’s own age discrimination story.

My late father was the hardest working man I ever knew. From the time, I was a small child he worked two jobs. Despite three University Degrees even in the 1970s he had to because he wanted my sister and me to have the same privileged childhood he had in Cuba in the 1940s. When my sister and I were toddlers his teaching salary was not enough to provide the life; he wanted my sister and me to have so he worked at night in the kitchen at a local posh beach resort prepping salads and working in the kitchen doing whatever they asked him to do. Later his second job was that of a Manufacturer’s Agent for a furniture company. We lived in a small Florida town with limited economic opportunity so by day he taught High School until 3 PM then worked as a commission paid agent selling furniture restoration services. In 1980, no longer able to earn living teaching and working his side business he accepted a position at a large Miami Beach Hotel where he ultimately became general manager. When my father was 58 yrs old, the hotel changed ownership, and the new corporate owners eliminated all the old management. He never had a stable job again. Worse than the financial loss of losing a \$110k a year salary job and his health insurance was the effect it had on

his spirit. He spent two years jobless being turned away at every job interview most people felt due to his age. Formerly always an optimistic man full of energy and optimism he had the work ethic and enthusiasm for work Cubans of his generation were famous for, his last years were spent working for the State of Florida for a salary that was a fourth what he was earning as a hotel manager. My Father died in 1999 at age 63 of Lung Cancer never being able to collect a penny in Social Security money he paid into the system over the years. I tell this story as I hope it will be an inspiration to any older worker who is facing similar hardship and show you have nothing to be ashamed of you are not alone. Older workers should be the backbone of our economy as they bring years of wisdom often not learned in the classroom to the economy, sadly corporate America seems to view them as a liability.

Options for jobless older workers:

- *Government / Civil Service Jobs.* Public sector employment does not pay the same salaries as the private sector, but most provide a very benevolent working environment, and benefits are usually good. If you are up in years and the children, have grown and on their own a job even at a lower salary but that does not provide stress may be an option.
- City / County Jobs: Contact your local city hall or County website for guidance as to where they post help wanted listings as this can vary from town to town.
- State Jobs: Each State has a job listing site on the internet and can be found using Google.
- Federal Government Jobs: USA.gov is the Federal Government's website for Uncle Sam.

Getting a government job to be a civil service job takes persistence and determination, but you can get one if your skills match the needed opening. You the same methods you use for applying for any job, get your resume updated and refined, network everywhere you can to learn about new opportunities and most Important be persistent in your hunt.

Automobile Sales

“No-one is to too good to be a salesman! “Fred McMurray’s character Walter Neff says to his boss in the 1944 Film Noir Classic Double Indemnity. The automobile industry today is different than it was decades ago. If your professional background is in sales and marketing, you may find this a profitable challenge. Most dealerships have excellent training programs, but this is a profession which means long hours.

Insurance sales

The insurance industry provides many opportunities for older workers. As with automobile sales, this is a profession that requires a professional background in sales. Each State differs in how you obtain a license to sell insurance. I do not recommend insurance sales if you need the income for survival but for older people with another income of some kind such as Social Security or a working spouse this is an option

Fast Food Management

Many years ago, I ran into a former supervisor at a company I had worked for many years before and she was now a McDonalds Manager. I asked her about and whether she felt embarrassed working in fast food and her eyes flew wide open. Her only regret is she did not take up the profession years earlier. Salary, benefits, bonuses, were far above average. If you have a background in retail management, this may be something you may want to investigate trying.

Retail Management

If you have business management background stores are always looking for qualified mid-level management as most retail stores often have high staff turnover rates.

Words to the Wise Do not Be Old

Those who watched the HBO Series the Sopranos recall the character of Feech La Manna, the once powerful gangster, just released from 20 years in prison and now an old man bewildered at how things had changed since he was locked up and resents being ordered by younger hoods and was always saying “in my day “this or “back in my day “we did it that way. If you are past 50, it is likely you will be taking orders from someone younger than you are. People in that position may not have the same street smarts you have, but then again, they may have some new skill you do not. Never be afraid to watch the young whippersnappers you can only learn from them.

Do not be Afraid to Defend Your Rights

Age discrimination was illegal in 1990; Congress passed the Older Workers Benefit Protection Act (OWBPA) which amended the [Age Discrimination in Employment Act \(ADEA\)](#) to safeguard older workers’ employee benefits from age discrimination. If you feel you have been fired or denied employment due to age discrimination consult Chapter 7 and seek legal help. An attorney can best advise you on what if any legal remedy you have available.

Recommended Reading

You're Hired! Find Work at 50+: A Positive Approach to Securing the Job You Want Kindle Edition by Denise Taylor ISBN: 1844556190

Chapter 7

No Money Need a Lawyer

Today some form of legal insurance is as important as life or auto insurance

James J Varela

Introduction

Earlier I told readers of the saga of my dental crisis. One lesson to be learned from it is today anyone can find themselves in a situation where they need an attorney. The United States has more attorneys per capita than any nation on Earth yet when the average person needs legal help they cannot afford it. This chapter will give you options on what to do when you need an attorney and have little or no money.

Bar Association Legal Aid Societies

In most of the country every local Bar Office there is a legal aid society or clinic that provides “Pro Bono “- free of charge or reduced fee legal help. Contact your nearest Bar Association office, and they can guide you on what if any services are available.

Pre-Paid Legal Insurance

Pre-paid legal plans, like most things in life, there are good and bad plans. Some of these plans are nothing more than ways for attorneys to get clients and get paid on top of it. Other plans are comprehensive and for a monthly premium. I for my part use Hyatt Legal and have been very happy with the service and the benefits. Go to your favorite search engine and look up “pre-paid legal “on the internet. When choosing a plan, you need to review what services are available. As with any insurance you want to get a benefit from it, or it is useless. The plan should include:

- Money Matters - Bankruptcy, debt settlement, contracts.
- Vehicle & Driving Accidents, lemon laws, traffic tickets
- Home & Real Estate Matters Vital if you are buying or selling but also other property matters such as an easement, eminent domain
- Civil Lawsuits Consumer fraud, Divorce, Medical Malpractice
- Wills, Estate & Future Planning Most plans offer this as a free service

Final Points on Pre-Paid Legal

Build A Barrier

As I went over in Chapter One, if you are having financial problems such as unpaid debts, you need to put a wall in between you the debt collectors. Your attorney will notify your creditors that any communication on your debts must go to the attorney's office.

You Get What You Pay For

Many ultra-low cost legal plans offer only a few consultations and offer to send letters to whoever is causing you grief then offers other services at reduced fees. I have found such plans useless. Be careful in selecting a plan.

Select a Plan with Many Lawyers

Attorneys usually specialize in some aspect of the law. Criminal law, bankruptcy, real estate law, and so on. You may need to get services from several lawyers, so you need to make sure the law firms on the plan can provide you with assistance for your problem.

Recommended Reading

Prepaid Legal Bible: What You Need to Know About Legal Services (Kindle Edition) by Karen Boone

Chapter 8

No Money No Investments

“The only money you will ever have is the money you save and invest.
James J Varela

Introduction

This is the smallest chapter in the book. For a new investor/saver of limited means there are few options. I am writing this chapter for the investor wannabe who has modest capital. Investing in stock and bonds is an integral part of our economy. Most very large corporations are owned by millions of small investors who purchase stock in these firms hoping for a return. For the small investor, I recommend the following points

Buying Stocks.

Given you are investing relatively small amounts, you want to do it online. There are many places to buy online. I use Sharebuilder but encourage everyone to do their research. Try and buy shares in well-known firms. Ford Motor Co, Walmart, etc. It is far better to own a few shares of good quality stock investments than lots of shares in an unknown company. A good source of information on what and when to invest can be found on sites such Bloomberg but for the small investor I recommend you play it conservative and try and build a portfolio of quality low-risk stocks. I am often asked about the so-called Penny Stock Market. A Lomanite I worked with many years ago used to love to show off his “Stock Portfolio ‘Most of the stocks he owned were shares that were worth often a few cents a share. The leather portfolio he had his Penny Stock Certificates in was probably worth more than all his investments. Penny Stock are not a buy recommendation. Do not try and second guess the market and stick to building a quality portfolio.

Buying Bonds

At the beginning for small investors, I believe you should include U.S. Savings Bonds in their investment portfolio. They are simple to buy and easy to cash in should the need arise. Investing in Stocks and Bonds is an important part of your long-term savings. A small investor can accumulate a large quality portfolio over time if they are disciplined and invest regularly.

Real Estate

A single-family home is one of the best investments you can make, but you must buy it correctly. Home buying today is one of those purchases that Americans tend to live beyond their means. If you look at any American city and see middle-class subdivisions built in the 1920s, 30s 40s, 50s, you see by and large simple yet decent homes. You want to buy the house with a 15-yr. mortgage even if it means making sacrifices to pay the larger mortgage payment as it will save you a mint in interest over the life of the mortgage. If you ever get the opportunity to invest in a rental property you want to buy clean houses in bread and butter working class areas. Buying property in run-down, crime-ridden areas is not for the faint of heart and is better avoided.

Save & Invest!

Growing up in Florida I have seen what happens to people who when they get older have no savings or investments. Most spend their golden years working as supermarket bag boys or cashiers instead of taking care of their health and enjoying life. Start saving and investing. Impress on young people out of High School they need to start building long term savings NOW!

Recommended Reading

Ordinary People, Extraordinary Wealth: The 8 Secrets of How 5,000 Ordinary Americans Became Successful Investors--and How You Can Too Kindle Edition by Ric Edelman ISBN: 0062736868

Chapter 9

No Money Government Services

The government, even in its best state, is but a necessary evil; in its worst state, an intolerable one. Thomas Paine

Introduction

Government Services come in all kinds of benefits. They come as Federal, State & Local. State and local services vary so it is impossible to go over them here, so this chapter will deal with Federal services. I have restricted this chapter to services someone reading this book would be interested. The subjects we will go over

Government Services for Small Business

Student Aid

Housing

Government Surplus Sales

Small Business Administration (SBA)

SBA was created in 1953 with the mission of providing guidance financing and a wide variety of services to small business. Any business with less than 100 employees or sole proprietorship entrepreneur can get help from SBA with financial matters, selling to the U.S. Government, and all kinds of educational information on how to run a successful enterprise. One of the best parts of the SBA Is its online learning center. The instruction available must have cost millions of dollars to develop and are available on SBA's website simply by going online. www.sba.gov

Student Aid

Federal Student Aid is available for Colleges, trade schools, and technical schools. I will state again, my sincere advice for young people is to go after a college degree. You can learn the same courses at a Community College than any technical school, and you will graduate with a college degree rather than some certificate, trade schools can have the same ramification. I can recall in the 1970s when a lucrative trade was the television repairman. Go to College! To learn what is available contact your local college financial aid office or go to FAFSA web site. <https://www.usa.gov/financial-aid>

Housing

HUD Housing programs were discussed earlier. I will use this opportunity to show readers federal help that can be available for home rehab or purchase. The most common form of help is home improvement loans. They are

- Title One Hud Loans. These are loans to rehab single-family homes. Approved lenders issue the loans, and the Federal Government guarantees repayment of the loan to the lender.
https://www.hud.gov/program_offices/housing/sfh/title/ti_abou
- The Federal Government has programs to help people buy homes. The most popular are the FHA Mortgages which like title one loans are issued by approved lenders and are guaranteed by FHA. <https://www.usa.gov/buying-home#item-37002>
-

Also, some state and cities offer their programs for homeowners or potential homeowners. These programs vary State by State, City by City contacting city hall or checking your State's website would be the logical places to look.

Government Surplus Sales

Anyone who has ever worked in government will always be asked questions about government surplus sales. “Is it true you can buy old army jeeps for \$50? “. I hate to pop anyone’s bubble, but the answer is no. The General Services Administration is in charge of selling surplus government property. You can obtain bargains at these auctions, but you will never be able to buy items for few pennies, but you can buy below wholesale.

- GSA Fleet Vehicle Sales <https://autoauctions.gsa.gov/GSAAutoAuctions/>
- Surplus Government Property
<https://gsaauctions.gov/html/surplussales/index.html>

Chapter 10

No Money & Retired

“Growing up in Florida, I have seen what happens to people when they are old and have no savings. Food Stamps, part time jobs working as supermarket clerks or similar menial jobs & humiliating poverty”

James J Varela

Introduction

It is a sad commentary that many Americans enter their so-called golden years with little savings and their only income is a Social Security Check. Here are some shocking facts about today's over age 60 population

- Per Social Security 22% of married couples who receive Social Security as well as 47% of single Social Security recipients who are aged 65+ depend on Social Security for 90% or more of their monthly income.
- Older women on average get about \$4,000 less per year from Social Security than men due to lower lifetime income earnings. Many now enter retirement with a small Social Security check and little or nothing regarding assets such as owning a home or savings.
- Per the Institute on Assets & Social Policy One-third those over 65 live in households that have no money left over each month or are in debt after meeting basic expenses such as shelter and food and healthcare.

If you in such a situation this entire book needs to be on your computer, smartphone or have a hard copy in your home. I created this chapter because older people face unique problems. This chapter deals with strategies to cope with this unique problem

Least Expensive Places to Retire

Per the AARP the top ten least expensive cities to live in America are:

1. Pittsburgh PA
2. Indianapolis IN
3. Omaha NE
4. Decatur AL
5. Tulsa OK
6. Tampa Bay area FL
7. Clarksville TN
8. Corpus Christi Metro Area TX
9. Alexandria LA

10.Aiken SC

I would also like to include the much of the East Coast of Florida from Jacksonville down to the Fort Pierce area. Las Vegas is one of America's great bargains. Real Estate prices are relatively low, and for some Desert, living is a plus.

For some people who may have lived in a community, all their lives may be afraid to pack up and move to someplace they have no roots that if your sole income is a Social Security check you may have to. Sometimes moving to a new location can be exciting. In 2000, I moved to the Los Angeles area, and one co coworker inherited a handsome midcentury home from a grandmother who bought the home in 1950 for \$31000. It was worth \$600,000 in 2000. He sold it and moved his family to Melbourne Florida where his wife grew up and bought a brand new 2500 square foot home in a prestigious neighborhood for \$200,000 which they paid cash for, and then used the rest of the money for savings and investment including a fast food franchise which I hear is paying him a six-figure income and they have far better quality of life in Florida had they stayed in the Los Angeles area.

Retire Abroad

Retirement overseas can be an exciting proposition for the adventurous. More and more Americans are retiring in Mexico and other nations where the dollar is strong and where the cost of living is low. Is in many places "a retiree can live comfortably for less than \$2,000 a month. International living Magazine if the bible of overseas retirement and this magazine is a must if you are considering this option.

Many Americans find themselves today with nothing but a social security check to see them through their golden years.

<https://internationalliving.com/>

Moving overseas for retirement is not a decision to take lightly. It is generally a good idea to visit the country you plan to live. Many countries offer all kinds of incentives to attract retirees such as duty-free importing of the car and personal possessions.

One important consideration is health care. Many Americans are surprised that in countries such as El Salvador, Nicaragua, or The Dominican Republic one finds modern hospitals. Depending on your health needs you need to investigate this matter in your country of destination. In most countries, the doctors are highly trained, and standards are high but check.

Recommended Reading

How to Retire Overseas: Everything You Need to Know to Live Well (for Less) Abroad by Kathleen Peddicord ISBN: 978110186046

Creative and Cheap Retirement Lifestyle Options: Strategies for Early Retirement with Less Money and How to Live a Fulfilling Retirement Life (Kindle Edition)

Footprints in the Sand My Retirement at \$1200 Month by Sandy Ingram (Kindle Edition)

Chapter Eleven

No Money, Thrifty Living

“Living Thrifty is the secret to saving and investing. The more money you save on living expenses the more money you have to save and invest. Consider that next time you are shopping”

James J Varela

Introduction

This chapter deals with you as the consumer. For about half my working life I have been in some form of retail sales and retail management. I have seen the common mistakes shoppers make. I have also observed how both the poor and the wealthy shop and how retired people who live on fixed incomes shop. In this chapter, we will also go into mastering thrifty living, which means Dollar Store smarts, thrift store bargain hunting, and online bargain hunting. Increasingly shopping malls across America are closing or have high vacancy rates due to online buying. We will also go into major purchases such as automobiles and

appliances. Here the three consumer types. I will allow you to choose which you best fit in.

The Low Income or Fixed Income Consumer

In my experience people of limited or fixed income means need to be price consumers. When I mentioned this the first reaction from readers “it is cheaper to buy in quantity, for example, toilet paper by square foot is cheaper than buying a few rolls at a time. All of this is true. The problem that lies for limited income consumers is they often get paid twice a month or for retirees once a month. Across the monthly bills come due on different days. If the limited or fixed income consumer shops like in the example above and they do not have credit, they will run out of money before the end of the month. This consumer should be shopping the discount retailers like Family Dollar & Big Lots or Dollar General Store. This consumer should be trying to get whatever possible from the dollar stores like Dollar Tree and 99 Cent Only Stores that are popular in California and some States.

The Middle-Income Consumer

Middle-income consumers usually have access to credit and can take advantage of quantity discounts. The big box stores. Kmart, Walmart, Target are where this consumer will find the best buys on everything from groceries to cosmetics. One thing I recommend avoiding in these stores is clothing which is often of very poor quality and will not hold up against your washing machine and dryer. This consumer too should shop in the same stores as the low income or fixed income

consumer. When shopping at the big box stores, the big values are in their generic brand medicines, groceries, and auto parts and accessories.

The Affluent Consumer

For most affluent consumers clothing used for office or work, car lease payment for a portion of time car used for business, lunches, and meals which are work-related or can be made work-related are tax write-offs as they are considered business expenses. Unlike the WWII generation which did not get such handsome tax deductions, even the affluent consumer is less thrifty than their parents were. The biggest values in the fine stores like SAKS, Dillard's, Nordstrom are their private store brand clothing on sale. The quality is often equal to or even better than the brand name high fashion brands.

No matter which category of consumer you fall into a vital point in thirty living is to budget by year not my month. If you are paying \$100 a month for something it is costing \$1200 per year. If you are subscribing to a phone game at \$7.99 a week that game is costing you \$415.48 per year. A woman I met once on a tight budget proudly told me her entertainment budget was only \$25 per week. She did not seem to realize that was \$1300 per year. Imagine if just this expense was invested instead in some simple investment like U.S. Savings Bonds. In 30 yrs. she would have about \$50,000 at retirement. Not a fortune but when one considers today 21 % of Americans have nothing saved when they hit age 65 and a third of Americans only have about \$5000 she would be far better than most people. I will say this again, a small saver/investor can accumulate a fair net worth if they learn to save and that they master the art of thriftiness.

Here are some general shopping dos and don'ts to thrift by.

Dos

- Try and buy clothing in thrift stores or on eBay. It is better to buy a used piece of clothing that is an of superior quality than to buy a brand new cheap piece of clothing that will likely not fit correctly and not last long. When online shopping you should research your brand names and also look for the private labels of the fine stores on eBay.
- Buy Good Shoes. My late father was a College Professor & High School teacher as a young man and always wore high-quality, expensive shoes as he was on his feet much of the day. An untold number of health problems can result from wearing cheaply made shoes. Well-made and engineered shoes may not always be expensive. As a rule, buy only leather shoes. Pay close attention to where they are made. Generally, cheaper made shoes come from China or India. Better made ones are made in the USA or Europe or Brazil.
- Shop the sales at the fine stores. Dillard's, Neiman Marcus, Nordstrom, and so on have sales and the biggest bargains in these stores is their store label merchandise when It goes on final clearance. I have bought finely made dress shirts for less than the price of a Walmart Shirt. The trick is to buy at the end of the season. Most fine stores begin marking down their winter styles in March, Summer Styles in August.
- Check out the Craigslist "Free Section. "I am often amazed at what people put in this section of Craigslist. Quality furniture, electronics, check it out.
- For thirty new car shoppers. Look at a new "used "car. These cars are sometimes called factory program cars. Many are former rental cars or what is also called "off lease cars. "These cars can be found by going to autotrader.com or a similar site. In the used car search field select the current year, and you may get a great bargain. Remember these are used cars so do not be timid about price negotiation. I purchased in Jan 2004 a former rental

2003 Mitsubishi Montero Sports XLS 4x4. With 25k miles. This SUV had an original sticker price of \$31000. I got it for \$17500.00. I could lease and then bought at the end of the lease.

- Buy everything you can in Dollar Stores. Good buys are cleaners and closeout name brands items. If you are lucky enough to live in Los Angeles or the Las Vegas areas the 99 Cent Only Stores are the best dollar stores in the country. Avoid buying in Dollar Stores anything eatable with an unknown brand name.
- College Students on a budget when buying a textbook for a class look at the previous edition. Often is nothing but new edition with the chapters shuffled around. Ask your instructor if you can get by with the previous edition, the savings can be huge.

Don'ts

- As mentioned earlier never buy clothing from the discount stores. Due to their low prices, they often sell the lowest quality garments. Often you can shop the sales at the premium store and get a better quality piece of clothing for a few pennies more.
- Buy anything that is eatable for any dollar store unless it is a brand name you know of.
- Buy Services such as auto repair from Craigslist or a similar site. Only deal with artisans who have been recommended to you by people you trust

Saving Money on Household Bills

Electricity

Contact your electric company to see if they offer free electrical audits of your home. An expert will visit your home and look over your appliances and other parts of your home and make recommendations.

Water

Water conservation is the key to a lower water bill. Inspect all household toilets for leaks, check all the faucets sink and bath for drips. These drips may seem minor now but across the span of one year could mean you could be throwing away \$300 or more. Avoid running the dishwasher unless you must. A nice lush green lawn is beautiful, but unless you have well water it will mean a costly water bill

Cut the Cable

The average cable bill in the United States is \$103 per month or \$1236 per year. Most of the channels you will never be able to watch and most of the channels you do watch are free (OTA) Over the Air stations that can be picked up with an antenna. Those readers old enough to remember the era before Cable and Satellite television probably have memories of static, unclear pictures. Today's modern digital antennas are far better than the old rabbit ear antennas you may remember. Then as today, the two long-established antenna makers are Channel Master and Winegard. Modern digital antennas come in many sizes or shapes. Which to use depends on where you install the antenna and other factors such as deed restrictions you may have in your neighborhood that may forbid Satellite dishes and antennas.

If you are doing a roof installation, you need to learn as with any TV antenna how far is your home from the broadcast towers. Visit tvfool.com on the internet, and by typing in your address, you can learn how far the towers are and how to aim the antenna.

At this writing, I have two Channel Master 4228 bowtie antennas mounted in my attic one aimed at two o clock the other aimed at four o clock, and I pick up 58 channels. If I had to do my project all over again, I would buy the Winegard FlatWave Air FL6550A mounted on my roof. For those readers who live in a big city or live in a tall apartment building, you can get away with the Winegard FlatWave Amped FL5000A. Information galore is available on YouTube about both. If you live in a rural area, the Winegard 8200 is the most powerful antenna made, but it is massive.

Avoid buying any antenna that makes outlandish claims of having a 150-mile range or looks like something from a 1950s-sci-fi movie. These generic antennas are all garbage. **Buy nothing but Channel Master or Winegard.**

You should check with your homeowner's association to see if there rules prohibiting outside antennas or outside satellite dishes. If this is your situation and you have an attic as I do you can install your antenna there, but you will need to make sure you use a preamplifier to boost the reception power as the antenna will lose some in the attic. If your life in a major city you should be able to get away with a Winegard Amplified Leaf antenna which is easy to install. If you do not, you can get now a DIRECTV account through your ROKU and many streaming players. See their website for current prices.

For those with the high-speed internet, I cannot recommend the ROKU streaming player enough. I find the content to be far superior to cable and for a fraction of the cost. On my TVs, I have paid subscriptions to Netflix and Hulu Plus. The ROKU machine has a wealth of free channel with thousands of free movies, documentaries, and YouTube. There are other streaming players on the market as well such as Apple TV, but I recommend ROKU it is the industry leader.

A Word on Thrifty Living for Young People

One of the reasons I wrote this book was to give my life lessons to young people. Your generation will not live like the baby boomers. You need to learn the art of living below your means. My parents came to this country as Cuban refugees, and my mother was told by her sponsor "The only money you will ever have is the

money you save. “Consider if you put just \$20 per month in a savings account in one year you will have about \$240 in ten years about \$2400. I’m just using this as an example of easy it is to save if you apply the lessons learned in this book.

I love to tell people the story of my paternal grandmother. In 1941 she was living in Havana a housewife married to my grandfather a prominent local physician. When WWII broke out, she knew the American military presence on the island was sure to increase, and although she had no experience as a merchant opened several gift shops around Havana loaded with merchandise, she knew a Navy man on shore leave would want to buy and send home to his girlfriend or mother. Many products were in short supply in America during the war years, so she did a brisk business. Once the war was over the business dried up, and she closed the stores. In countries like Cuba children are told from childhood that life is going to be a struggle. But there would times in your life when an opportunity would pop up that would allow you to increase your income and you must grab it and soak it for all you can as you never know when or if such an opportunity will arise again. She saw WWII as an opportunity to fatten her savings not become a merchant. After the war, they needed a new car and bought a quality but modestly priced Oldsmobile. As you go on with the life, you must resist the temptation to live beyond your means and master the art of living comfortably below your means. If you follow the principles taught in this book you can.

Chapter 12

No Money & In Debt

Introduction

In this chapter, we will go over debt management. Managing debt is vital to your financial health. If you follow the money spending and saving principles in this book, you are halfway to security and prosperity. Many people today get in over their heads with consumer debt because they shop with their wants first and their needs second. We have all including myself bought something expensive we could not afford and paid off for it on high-interest credit. We are a consumer society, and it takes self-discipline to manage your money correctly. The two key points when reading this chapter is to understand it is one thing to go responsibly into debt and it is another to go irresponsibly into debt.

Home Mortgages

A single-family house is one of the best investments you can make if you buy it correctly. Home mortgages generally come in two forms. A fixed rate mortgage or an adjustable rate mortgage. A fixed rate mortgage the interest rate stays the same for the life of the loan. With the adjustable rate mortgage commonly called an ARM, the interest rate fluctuates over the life of the loan. In many cases, an ARM may begin with a special introductory term where for the first few years of the life of the loan the interest rate holds at a set percentage. After the introductory period is over the interest rate begins to fluctuate based on market interest rates. The often-low introductory rate makes an ARM look attractive to borrowers, but interest rates can go up and with it the mortgage payment. Those of us old enough to remember the 70s and early 80s recall what happened to Mortgage Interest rates

Date (Month)	15 Year FRM (%)	30 Year FRM (%)
January of 1972		7.44
February of 1972		7.32
March of 1972		7.29

April of 1972	7.29
May of 1972	7.37
June of 1972	7.37
July of 1972	7.4
August of 1972	7.4
September of 1972	7.42
October of 1972	7.42
November of 1972	7.43
December of 1972	7.44
January of 1973	7.44
February of 1973	7.44
March of 1973	7.46
April of 1973	7.54
May of 1973	7.65
June of 1973	7.73
July of 1973	8.05
August of 1973	8.5
September of 1973	8.82

October of 1973	8.77
November of 1973	8.58
December of 1973	8.54
January of 1974	8.54
February of 1974	8.46
March of 1974	8.41
April of 1974	8.58
May of 1974	8.97
June of 1974	9.09
July of 1974	9.28
August of 1974	9.59
September of 1974	9.96
October of 1974	9.98
November of 1974	9.79
December of 1974	9.62
January of 1975	9.43
February of 1975	9.1
March of 1975	8.89

April of 1975	8.82
May of 1975	8.91
June of 1975	8.89
July of 1975	8.89
August of 1975	8.94
September of 1975	9.12
October of 1975	9.22
November of 1975	9.15
December of 1975	9.1
January of 1976	9.02
February of 1976	8.81
March of 1976	8.76
April of 1976	8.73
May of 1976	8.76
June of 1976	8.85
July of 1976	8.93
August of 1976	9
September of 1976	8.98

October of 1976	8.92
November of 1976	8.81
December of 1976	8.79
January of 1977	8.72
February of 1977	8.67
March of 1977	8.69
April of 1977	8.75
May of 1977	8.83
June of 1977	8.86
July of 1977	8.94
August of 1977	8.94
September of 1977	8.9
October of 1977	8.92
November of 1977	8.92
December of 1977	8.96
January of 1978	9.01
February of 1978	9.14
March of 1978	9.2

April of 1978	9.35
May of 1978	9.57
June of 1978	9.71
July of 1978	9.74
August of 1978	9.78
September of 1978	9.76
October of 1978	9.86
November of 1978	10.11
December of 1978	10.35
January of 1979	10.39
February of 1979	10.41
March of 1979	10.43
April of 1979	10.5
May of 1979	10.69
June of 1979	11.04
July of 1979	11.09
August of 1979	11.09
September of 1979	11.3

October of 1979	11.64
November of 1979	12.83
December of 1979	12.9
January of 1980	12.88
February of 1980	13.04
March of 1980	15.28
April of 1980	16.32
May of 1980	14.26
June of 1980	12.71
July of 1980	12.19
August of 1980	12.56
September of 1980	13.2
October of 1980	13.79
November of 1980	14.21
December of 1980	14.79
January of 1981	14.9
February of 1981	15.13
March of 1981	15.4

April of 1981	15.58
May of 1981	16.4
June of 1981	16.7
July of 1981	16.83
August of 1981	17.28
September of 1981	18.16
October of 1981	18.45
November of 1981	17.82
December of 1981	16.95
January of 1982	17.48

Market forces move interest rates. Oil prices, international crises, the public debt. It is impossible to predict whether we will see rates this high again, but I recommend a fixed rate mortgage. A government-insured FHA mortgage is a wonderful deal if you if you qualify.

FHA mortgages are issued by authorized lenders, and the loans are government insured by FHA (Federal Housing Administration) FHA loans were designed for low to moderate income home buyers who are unable to make a large down payment.

Borrowers who meet the FHA eligibility requirement can get an FHA mortgage with as little as 3.5% down and a credit score of 580 or higher. FHA will allow

for a credit score between 500-579 if a 10% down payment is put up by the borrower.

Zillow.com has an excellent guide for FHA for potential borrowers

<https://www.zillow.com/mortgage-learning/fha-loan/>

- There are numerous mortgage programs offered by lenders today that would fill a book. For the average homeowner wannabe, I recommend the following points
- Get an FHA Mortgage if you can qualify
- If you cannot put at least 10% down of the purchase price, you cannot afford the home.
- Never buy a home in a speculator driven market. Study sales in your area at the tax collector's office. Lots of middle-class price homes being sold to wealthy investors in an area where there are stagnant incomes usually means a bubble and all speculative bubbles will pop.
- Always have a home inspection done by a professional. If you have seen the Flip & Flop television series, you can see all the costly problems arise after the purchase that was unseen by seasoned investors.
- Does the home have an attic or attic space in the garage to allow the installation of TV antenna? Cable will add \$140-\$170 to your mortgage payment.
- Buy the lot and MOVE to a new house on it. In 1983 my divorced mother wanted a new home but could not afford. In the downtown/ older section of

town, there were many nice older frame houses now in danger of being demolished by developers who wanted the land to build new office buildings. She was able to get an old Key West style house and contracted with a company to pick up and move this old house to a new lot she bought and will all the expenses she got a much nicer home for much less money.

Look on the web for home movers in your area. Angie's List has a wonderful site which goes into this subject in detail. See if this is something you can do in your area

<https://www.angieslist.com/articles/how-move-your-whole-house.htm>

Avoid Modular, prefab, or container type houses. Simply stated the amount you think you will save per sq. Ft is not worth the aggravation you will have later ensuring it, trying to get a mortgage for it and later perhaps selling it.

Credit Card Debt

Consumer credit is a necessary part of our economy. The problem in the last few decades is people have been using credit cards as a second income, and this is financial suicide. I believe this often happens not because people are foolish or irresponsible, I believe it happens because people have not followed the principals of personal money management in this book. If you are overwhelmed with debt and feel you cannot manage it any longer, we will go over strategies.

1. Avoid CCC or similar credit counseling services. Creditors mostly fund these nonprofit organizations. Most of the individuals who work at these counseling services are often well-meaning volunteers, but the rules they work under are there to collect the money for the creditor. I have no issue with creditor demanding payment from a debtor but using a trojan horse to do it is in my view unethical. My biggest issue is many of these community services often misrepresent themselves as being there to help

the overwhelmed debtor and often the people who turn to them for help are unaware of where these organizations get their funding

2. Contact the creditor yourself and inform them you are having problems making payments and request if you can have a partial forbearance or a payment plan allowing you to pay interest only for a set period until your situation changes. If your situation is very dire, inform them unless you can restructure your debt you may have to consider Chapter 7 Bankruptcy.
3. Review the submerged running section of chapter 1. Once you get an attorney to have the attorney contact the creditor and inform them of your circumstances. In such cases, the creditor may in time agree to settle the account for half the balance owed, but this will require a large upfront cash payment.

The lesson learned here for young people starting out how easy it is to ruin yourself with excess debt and or high-interest rate debt. You should be able to comfortably pay off your entire balance on your credit card in three months. If you cannot, you are using too much credit and need to restrict purchases

Old Debt & Zombie Debt Collectors

Ten years ago, the country was in the middle of the worst economic crisis since the 1930s. You may have old unpaid debts. From time to time you still get calls from collectors whose name is not the original creditor. These type of debt collectors are often called zombie debt collectors. Many Zombie debt collectors are law firms that buy old unpaid accounts in bulk for pennies on the dollar and try and collect from the debtor. When you are contacted by a Zombie debt collector follow these steps.

If you get a summons stop and immediately contact an attorney on your prepaid legal plan or contact your local bar association legal aid society that you are being sued. If it is simply a collection letter, it is important to find out if the collector contacting you is a debt collector or a new Zombie debt collector who now owns your old debt. You do this by sending this “Debt Validation letter. “

Whom It May Concern:

I am writing this letter regarding (account number stated on collection letter dated (Date of collection letter) Regarding my legal rights under the Fair Debt Collection Practices Act (FDCPA), I am requesting you to provide me with a validation of the debt mentioned in the collection letter. This letter is being sent so that I am giving you notice that your claim is disputed, and validation is demanded. (15 USC 1692g Sec. 809 (b))

I do at this moment request that your office provides me with the complete documentation you have regarding this debt and to verify that I owe the said debt and documentation have any legal obligation to pay you.

Please send by return mail on this letterhead.

1. Agreement with the creditor mentioned that authorizes you to collect on this alleged debt on their behalf
2. The agreement bearing my signature stating that I have agreed to assume the debt
3. Valid copies of the debt agreement stating the amount of the debt and interest charges

4. Proof that the Statute of Limitations has not expired

5. Complete payment history on this account along with an accounting of all additional charges being assessed
6. Show me that you are licensed to collect in my state; and
7. Your license numbers and Registered Agent

Your office has within 30 days to reply to this debt validation letter. If you fail to do so any reference to this account must be removed from my credit history at once, and all future collections must stop. If you ignore this letter and my written request for documents mentioned this will be construed to be a waiver of all attempt at a collection of said debt and an implied agreement to reimburse me for legal fees and court costs should this matter, be brought to court.

Thank You

(Your Printed Name and Signature)

On these old accounts, it is important to establish who the owner of the debt is. If it is coming from a collection agency, you do not have to deal with them and use the Cease & Desist Letter in Chapter one. If this is a collection letter from a Zombie debt collector who now owns the debt you need to have an attorney review it. The attorney needs to know how old the debt is to see if your States Statute of Limitations has lapsed. Statutes of Limitations are laws which states a creditor can only pursue you for an unpaid debt for so many years after the date they cannot pursue you for it. If the Zombie debt collector is a law firm in your state and amount of money is over \$2000 you could get hit with a lawsuit. Their goal is to get whatever money they can from you, but it is rare when they accept less than 50% owned. A law firm debt collector will respect you more if you have gotten an attorney through your legal plan or Bar Association Legal Aid Society. If you simply cannot pay the Zombie debt collector can sue you and garnish your salary and any tax refund. These kinds of law firm style zombie debt collectors can be ruthless in getting even a small judgment because they often buy many old accounts in bulk. They make their money finding as many of these debtors as possible and squeezing them for payment which they can do because they are local and as lawyers can file lawsuits easily.

If you are sued

If you are battling with a Zombie Debt Collector, it is possible they may sue you. With an attorney, you may be able to work out a payment plan of some kind. You do not want to be in a situation where they will garnish your salary. Employers do not like getting mixed up in the personal problems of their employees, and it could cause you grief at work. The Zombie debt collector wants money if you are in a severe hardship situation the attorney may explain that to the zombie debt collector and they may in such a situation write you off as uncollectible, but Zombies are the most ruthless of debt collectors

Chapter 13

The Free Life

“Yes, there are freebies out there. Get your fair share of the world’s free cheese.”
James J Varela

Introduction

This chapter is one of the most important chapters in this book. It is mind-boggling the number of free things available to anyone for the asking. I have decided to round out the information on this chapter I think would be of interest to the reader.

Food Banks & Pantries

Food Stamp or Snap benefits have only marginally increased over the last 20 years while food prices have gone up and up. If you are on SNAP and still having difficulty purchasing food these banks and pantries are life savers. Created by volunteers, you can find about ones in your area by dialing 211 from your phone or going to the internet and Google your county name and 211.

211

211 Is a wonderful site and in most States is the hotline for the United Way. You can find 211 on the web by Google your county name and 211, and their site will give you a listing of the services they provide.

County Public Health Clinic

Most counties in the United States have a free clinic at their local Health Department which offer an array of services including dental. Contact your local County health department for availability

Catalog of Federal Domestic Assistance

This website is priceless for those seeking government grants of any kind or government insured loans
<https://www.cfda.gov/>

Publications.USA.Gov

A government web site which offers mostly free publications on everything from buying U.S. Government surplus to writing a resume to consumer protection issues.

Internet Archive

Internet Archive is a non-profit library of millions of free books, movies, software, music, websites, and more. [Internet Archive.org](https://www.archive.org) is my favorite site on the web. You can search public libraries for rare books and publications, magazine back issues and old newspapers. Another wonderful feature is large numbers of old and rare films and early television shows. I cannot recommend this site enough

Government Surplus

The General Services Administration oversees buying and selling government property. Free listing of what and where is being sold.

<https://gsaauctions.gov/gsaauctions/gsaauctions/>

Free Official Sources to Search for Unclaimed Money

This is another USA.gov gem

<https://www.usa.gov/features/free,-official-sources-to-find-unclaimed-money>

Chapter Fourteen

Career Direction for Young People and Graduates Starting Out in the World of Work

*Only the young can say
They're free to fly away
Sharing the same desire
Burning' like wildfire*

Journey (1985)

Introduction

I wrote this chapter for young people out of school and finding their way in a new career. When I was in my late teens, I did not have strong direction on how to succeed in life. My parents had a bitter divorce when I was 12. My sister and I went from an upper-middle-class quality of life to be at times in near poverty. My father had some bad financial reversals due to the bad economy of the era and was busy working 75 hr. work weeks to get back on his feet again, the result I was often left to my device in my teen years. I am proud I survived this period in my life drug and alcohol-free but during this time from when I was 18 until I was 24 I made many mistakes, the same mistakes I see many young people making today. I encourage young people to follow these dos and don'ts, and you will not lose precious these precious years, I had to learn the hard way you do not have to.

My Teen Journey

When I was about fifteen, I got my first paying job at a Publix Supermarket in Miami Beach Florida as a courtesy clerk. At that age, I was thrilled to be working as an adult and earning money, but even at that age, I came to realize I wanted more out of life than the so-called 9-5 existence I wanted to be the owner of my own business. This was the beginning of the Reagan years and would usher in what some have called "The Decade of Greed." I was not sure how to go about becoming an entrepreneur one day while reading Popular Mechanics Magazine I saw an ad that many people I read many of the so-called opportunity magazines of the time the biggest being Entrepreneur Magazine. I saw the ad of the late Mr. Brainerd Mellinger and his so-called Mellinger World Trade Plan "Import-Export Mail Order" Home Study Course" etc. The course cost in 1981 at about \$150. Most parents of the time likely would have never dreamed of buying something like this for a teenager, but my father was an enlightened parent and was impressed I was interested in learning business instead of watching television or listening to my Stereo and bought me the course. I will always be grateful for the information I learned as I used it countless times since then with many jobs. I was not able to make any money in Mail Order after many tries. At the time I was too young to be taken seriously in the business world of the time. I should have gone to College after High School as my parents wanted but I was in my Willie Loman stage of life and thought I was smarter and would later come to regret this decision. I would later try other jobs and schemes to blast myself into a high income. Car sales, fast food management, real estate agent all with no success, it was always the same problem. My age lack of experience and lack of education.

When I turned 18 in 1983 there was no the internet, no eBay no Amazon or any other way to sell goods and services other than in person. Other than running a car detailing business, yard work, or operating a lemonade stand the only way to earn money was to work for someone else doing menial service sector jobs, and I did them all. Supermarket Clerk, Convivence Store worker, fast food, all were good learning experiences, but they were much work for little money.

Today I am envious of young people today. An 18-yr. old can operate an eBay store or an Amazon bookstore or sell similar goods without problems, and if you follow the advice in this book, you will learn how to set one up. If a local service business, if your goal here is some great little service businesses someone under 21, can start with little capital and immediately start earning money. These are all classics.

- Babysitting Service
- Car wash and retail business
- Home/Apartment Cleaning
- Lawn care
- Computer Repair
- Tutor

As a teen, I had great difficulty dealing with customers as many would not take me seriously and my shyness. Today eBay, Amazon.com and other sites such as Overstock and even Sears allow any seller to sell goods and services all over the world.

Good small business for young people would be:

- eBay clothing store. Stick with brand name items as that is what people look for on eBay. It is important to monitor what sizes are popular which you can do on eBay by searching completed auctions.
- Amazon.com Book Store. Books are all around us being thrown away, given away, I recommend the seller specialize in a specific genre such as Business, or College Text Books, or Science Fiction, etc.
- Collectible Store. eBay or other sites such as Bonanza or Etsy are good places to market collectible items. The places to find such items are thrift stores, estate sales, and online auctions
- Consignment Selling. If you live in a large city, there are plenty of so-called “mom and pop” owned stores. These independent stores might take merchandise “on consignment” meaning an importer of cigarette lighters makes a deal with a store owner to set up a display of lighters on his countertop near the register. The vendor comes in to replenish the display the store sells the lighters and splits the profits with the vendor based upon an agreed upon amount. In this book, I advise readers to take the Cossman/Seminar course in this book, and the late Mr. Cossman was not a big fan of consignment marketing for several reasons, usually, the importer must eat all the shrinkage caused by shoplifting or items that are returned by customers and cannot be resold as new. My view if you have no other way to get your product to the consumer and are sitting on a pile of merchandise this could be a worthwhile way to sell your items. Your Chamber of Commerce will know how many independent stores are in your area can give or sell your list. Large commercial stores such as supermarkets are impossible for a small-time vendor to deal with, the usual deal with major so-called “Rack Jobbers” who have contracts to put merchandise in these stores. For example, in most cases, much of what you find around the cashier in a supermarket such as chewing gum, candy, are put there by a rack jobber.

- Tutor. If you excel in subjects like Algebra or calculus starting a tutoring business can become a lucrative business.

Getting Customers

Getting paying customers is always the bane of any business. If you are operating on limited capital, you need to take advantage of all the free outlets available. They are:

- Community bulletin boards: in Hospitals, laundromats, and other similar places
- Craigslist: I personally never recommend people hire off Craigslist, but people do, and you can place a free ad, so you have nothing to lose by putting up a listing
- Chamber of Commerce: Many chambers have sites that allow members to put up free websites
- Word of Mouth: This is the most effective and least expensive way to get new customers. **Always mine your current customers for recommendations and referrals.**

How Much to Charge Customers?

Whether you are selling goods or services, pricing is simple. Charge the most the market will bear. Scan around and see what competitors are charging. Be careful not to be too cheap else people will think your offering is. Concentrate on creating a quality service. Use caution when extending credit to customers. If you are young, sometimes people will think you are naïve and can be hoodwinked.

Always ask for payment at time service is rendered if, for some reason, you have trouble getting paid for work send payment due to notices in the mail and refuse to do any additional work until you are paid. Do not get involved in a customer's problems. Be polite but be businesslike. You too need to pay bills and expect to get paid for your work. One of the hardest challenges you may face is having to endure negative comments from well-meaning friends and family. Stating in business is no place for negativity you must believe in yourself because if you do not have anybody else will. *One thing I cannot stress enough to recent High School grads is to Immediately, Enroll in College or Trade School.* After high school, I

foolishly did not go to college upon graduation, and it remains after all these years my life's biggest regret. Lack of money is no excuse. Contact the Financial Aid Office of your local community college there are grants and student loans available for needy students. You cannot go through life with only a High School Diploma anymore. You must have post-secondary education. Community Colleges and Vocational Schools are inexpensive in most parts of the country. These institutions have career counselors to place students as well.

You will likely never catapult yourself from some young nobody to a somebody.
After High School, I was jobless for a while. The U.S. economy was brutal in the early 80s. When I became employed, it was 1984, and the only job I could get was working in the kitchen at a local Pizza Hut Restaurant. I should have been in College during this time as many of my young co-workers were. Instead, I wasted four years trying to work my way up into some form of supervisory position and management training, but the company would not recognize my talents only my young age and lack of a College Degree and suitable work experience. Then I tried a Real Estate sales career which also went nowhere. The WWII Generation did not want to buy a home or any property from a 21-year-old "How old are you anyways 12?" was the usual response. There comes a time in every young person's life when they must stop being a kid and become an adult. Mine came in 1988 when my mother became seriously ill. She would need a liver transplant, or she would die. I knew things were serious after a talk with my father he informed me my mother was seriously ill and it was possible she could die he wanted me to take a stark view of my life and told me he would do whatever he could to help. In 1989 I started attending College in addition to working part-time which pleased my parents. By this time the people I grew up with and my former coworkers were already graduating, moving away to begin exciting careers in New York, Los Angeles, or some similar place and I was just getting started in College, it was a bitter feeling. Moving away is a rite of passage in Florida after College for recent grads as opportunities in the Sunshine State are low paying compared to other parts of the country. My mother got her liver transplant but helping support her in the years that followed delayed my graduation for years. There are some trades like auto mechanics, plumbing, etc. that pay a good living but who knows what the future holds for these so-called professional blue-collar jobs but go to College is my advice. If you do not have the means to go four years for a bachelor's Degree you can go to a local community college as I did in getting an AS Degree from a local community college and getting my BA from Upper Iowa University attending

online classes. You are only young once and those College years will be some of the happiest memories of your life. How I still wish I had been wiser at age 18.

Move to a large city. Unless you have the money or a family business where you will work, you will need to move to a major metro area. Small town living can be nice. Small town real estate is more affordable, in small towns often people are nicer, from traffic to air pollution levels the general quality of life is better. The problem is career opportunities for young, educated people are usually very limited and low paying. If I had to do it again and did not have my mother's health issues standing in my way, I would have moved to a large city like Los Angeles, Chicago, or New York. I would have lived as frugally as possible and saved money, then return to a place like Melbourne Florida, Las Vegas, or similar place where real estate prices are often half what they are in major metro areas. When I lived in Los Angeles a sales manager friend inherited a home in Torrance Ca from his late grandparents who purchased the home from the builders in 1951 for \$17000. In the summer of 2000, the home he inherited was worth \$631,000. When he and his wife sold the house, they went to live in the Tulsa Oklahoma area where his new wife was born and raised. They bought a home better than the California one and paid cash for it freeing themselves forever from the dreaded mortgage payment. They were able to set up a College trust fund for their son and rested they used to build up their savings and start a small business. His wife is a nurse; he runs their insurance business. Their incomes are perhaps half than they earned in California, but their quality of life is much better. Another man I knew in Los Angeles was a fellow Account Executive who was from Veracruz Mexico. He came to America on a special Visa of some kind that was for five years. He and his wife worked and worked and lived very humbly in a small apartment. When his Visa ended, he went home with \$300,000 in savings where he built a beautiful 4000 sq. Ft. Home for his family started a tourist business. Small towns are nice to live once you have built up an estate where you can live there in financial security, but if you must depend on the local economy, you will end up working two or three jobs and still not be able to make ends meet. I lived in Los Angeles 2000-2001 which was a lifelong dream. I left after one year as I quickly saw as many newcomers do the higher income you earn is not enough to offset the high cost of low living for which Los Angeles is infamous. In Florida, I earned less but was still able to buy a home, have an IRA, stock and bond investments. Moral to the story You look at moving to a large city you need to make sure the higher income, is not eaten by exorbitant living expenses.

Banking

Young people after High School should investigate which banks offer the best options for them such as free checking and open three bank accounts. Every young person needs to visit their favorite bank and open a regular checking account, a regular savings account, and a Roth IRA. You always need both short-term savings and long-term savings. Long-term savings is the Roth IRA. Young people always need to remember to put something in the Roth IRA each month. Even if the amount of money is as little as \$10 or \$20, the small amount will add up to over the years. If they start at 17 or 18 ages will amaze them 28 how much that money has grown. Long-term savings are just that. The only emergency that justifies taking money out of long-term savings is homelessness and destitution. A young person needs to have short-term savings to pay for emergencies such as car repair, and the checking account need is obvious.

You Will Need to Earn a Living After Graduation When selecting a college major or a trade school vocation to speak to a qualified counselor who can tell you what careers are the most promising and ones that will be dead in a few years.

Avoid the Student Loan Bubble. All too often I see young people in College or Vocational school and become so overwhelmed with studies they take to the attitude which I took. *“Right now, I need to get through school and support myself. I will worry about the loans after graduation, what else can I do right now? “.* I know what it is like to be living in a bubble where all you think about is school. But trust me graduation will follow, and those loans must be repaid. Before deciding about what education, you will pursue after high school remembers a College Degree is not a sure passport to a high income - salary like it was in the 1960s. You need to ask yourself will college be so expensive that I may be better off getting a two-year Vocational School Certificate? I have two college degrees one in Computer Information Systems the other in Public Administration, and at this writing, a childhood friend who trained to be an automobile mechanic is earning double what I earn a master mechanic at an automobile dealership. I wish everyone could get a four-year college degree or even a Master's Degree, but the economic reality is can you afford to go? Does it make economic sense in my situation to go?

Don't Make Excuses. Find a Solution When I reached adulthood in the early 1980s it was a tough time financially for me, my parents, and the country. I was bitter, in my mind, everyone had let me down, my generation the news was saying was going to be worse off than our parents. We were, but that is not the point. We all go through life being dealt hands from that master poker player- Fate. Sometimes those hands can be utterly devastating, such as being diagnosed with a serious disease, others can be wonderful, the birth of a healthy child, or winning the lottery, but all hands are learning experiences. All events in life bad or good lead to growth we must look for the lessons.

Entering the World of Work

One of the greatest errors I made early in my adult life was not being able to differentiate between the business world and my personal life. As children, we are all taught by parents and other authority figures to treat everyone with respect and be fair and truthful to others. These are noble and true virtues, but they apply differently in the business world than in our personal lives.

Business World

The business world is the entire world you deal with outside your close circle of family and friends.

In the business world, you need always to be looking out for your interests because if you do not know anyone with doing it for you. I am not suggesting you be arrogant. Life is a struggle, and nobody makes it alone. Success requires the cooperation of others. In the business world, you need to make alliances for mutual benefit with others. Unlike in your world when you may make a sacrifice of some kind to help a loved one. In the business world, you earn respect by solving problems by pursuing what had been called “enlightened self-interest “that is finding solutions that benefit your position at the same time benefiting the other party.

Here are some useful tips for young people starting out in the *business world*.

Getting People to See Things Your Way

When you are trying to persuade someone to see your way you are in effect the *aggressor* in the conversation, that is you are trying to persuade someone to believe something they currently do not. When you the other party objects, then you are now on the *defensive*. No-one ever won an argument; no salesperson ever sold anything on the defensive.

Your ability to be the offensive largely depends on how you know your facts on what is being discussed, always remain calm and polite but leave your emotions at home. **You need to learn the other party's needs and then fight for a resolution to the situation that first benefits your position and benefits the other party.**

Earning the Respect of Others

Older people tend not to trust young people. When I was in my early twenties, I foolishly went to Real Estate School instead of college and spent nearly two years trying to prospect for clients and found no one who would trust me to handle a real estate transaction despite being a knowledgeable young man mature for my years.

For the young, I would offer the following tips

- Don't waste people's time. Be at work early and leave late.
- Always find ways to be busy
- Don't speak in slang words, such as "cool," "or "sucks," or referring to people as "man. "People are Mr. Murphy or Mrs. Garcia; younger women might be called "Miss "such as "Hello Miss Jones. "
- Always be studying and learning new skills
- Learn as much as you can about the business. Read industry trade journals for your industry. Every industry and every profession in America has an industry or professional trade journal/magazine.

- Ask for responsibility. You will never get it until you ask for it. Look around at ways your boss is overwhelmed and how you can help him or her solve their situation.
- Believe in yourself. At the very worst you are no smarter than the next person. If you do not believe in yourself, nobody else will.
- Since you were in your early teens, you probably have become aware that the years are flying by faster. Sorry, to be the bearer of bad news but it gets worse. You need to make use of every moment productively especially in the world of work. Young people today live in a much more competitive world than their parents or grandparents. You cannot afford to get mixed up with drugs and alcohol, and you do not have the luxury of wasting time else life will leave you behind. Everyone feels pity for drug users and people with substance abuse problems, but nobody respects them, and nobody will ever completely trust them. This reality is not politically correct, and I do not agree with it, but it is just the sad facts.
- Always keep your eye out for a new opportunity. Sadly, today employees are disposable and old times of employer/ employee loyalty is gone. In today's global economy even, a person with a master's degree can suddenly become jobless. My late father gave up a teaching job to become the manager of a large hotel in Miami Beach in 1981. The hotel owner was an old childhood friend. In the early 90s, the family was forced to sell the hotel, and the new management got rid of all the old management. He was 58 when he was let go and never worked in business again. Be on the lookout for yourself always.
- Nobody can make you feel inferior if you do not let them
- Remember the golden rule explained earlier about the business world vs. your personal life. Be polite and respectful of co-workers but remember this is business and you need to keep an eye on your interests because as I have already stated nobody will do it for you.
- Never try and explain big dreams to small people
- No matter where you go, go with all your heart.
- For those young people who today are facing similar struggles that I did, I say read this book, cover to cover, repeatedly until you master the information in it and remember this quote.

*Never blame anyone in your Life.
 Good people give you Happiness.
 Bad people give you Experience.
 Worst people give you a Lesson*

&
Best people give you memories.
Unknown

Real World Office Politics

No matter what you do for a living, you are going to have to deal with the politics of that organization. How you survive will depend on how you interact with others. Words to survive by:

- The reality of many workplaces is that it is not what you know but who you know
- Teamwork is only applicable to certain professions. Sales, for example, it is every salesperson for himself to manage his client book and strive for the highest sales.
- Learn to identify co-workers with a “Willy Loman Complex “or as I call them Lomanites. Avoid them whenever possible as these are ambitious people, but with low self-esteem issues, they often have delusions of greatness and are constantly trying to take charge of everything and order co-workers around as if they were his/her employees and they ended up making messes of important projects. Lomanites are big braggers, and they will often boast about past successes that never happened and claim to be personal friends with important or famous people and often can be seen driving their favorite mode of transportation a 10-15 yr. old luxury car. Lomanites will patronize everyone around them even their bosses but especially anyone they perceive as being weaker than they are. At work as in life, you will be judged by those you keep company with so avoid Lomanites at every turn. If you cannot avoid them the best way to deal with

them is to be polite but be business-like with them and never allow them to try and take control of a situation or speak to you in a commanding manner. If they try and take control of the situation at work the best way to stop them is to tactfully put them back in their place. If they try and take charge of a situation “Our boss or supervisor has ordered me to do this.” Or I would like to talk to you, but I was told by (boss or supervisor) to do it this way. Never waste time bickering with Lomanites as you will always lose.

- When dealing with bosses or co-workers remember what was discussed earlier about dealing with the “business world,” “you should try and become liked and make friends with superiors because they can help you but until you get to know them, it is important to deal with them respectfully as superiors. If they later become close friends, they fall outside the business world, and you can engage them on that level.
- Never believe employers who claim employees are like family. In today’s marketplace employees are disposable. It does not matter what your position is or your education if the employer does not need you anymore for whatever reason you are gone. It is important always to have your resume updated and ready for any new opportunity to sell your skills. Looking at the big picture remember your relationship with your company or organization is a business relationship, unlike the personal relationship you will have with your immediate superiors depending on how you developed that relationship as I stated earlier.

Bon Voyage, Welcome to the adult working world. I consider this chapter to be the most important in the book and I hope you will avoid my mistakes and achieve your dreams and that this book has been helpful. Many of the problems you will deal with are things that will be like previous generations had to deal with, others are challenges we today cannot even imagine, I do not profess to be Socrates, but I think you will go through life a wiser person if you absorb the information in this book and learn its lessons.

Chapter 15

The System

Life has taught me that in America perhaps more than any other nation in the world a person's intelligence, wisdom, common sense, trustworthiness, or even desirability in a romantic relationship is often determined by the person's economic station in life.

James J Varela

Introduction

This chapter will help you move on once you have used the principles in Chapter one to stabilize your financial situation and life and move on to live your dreams. The No Money Book uses a three-principle method to achieve your goals.

The No Money Book Method

- Write down your goal or objective
- Which vehicle is best to achieve your goal or objective?
- Write down the obstacles in your way to achieving your goal

For many people reading this book the goal or objective is starting or owning a business of some kind for others a career in the corporate world or perhaps purchasing income-producing real estate or even making a movie All this requires money and direction. It will surprise many readers of this book but when one looks around at successful people today no matter what their business or line of work almost none ever risk their own money to start an enterprise. They use investor's money. This chapter is all about the "System "the late Mr. Cossman lectured about for many years. By the time you are done with this book, many of the great mysteries of the American economy will become clear to you.

In the United States half of all business fail within five years. Here is an example of how the successful people start businesses that thrive

Consider this hypothetical scenario:

Scenario XYZ Café

Joe has been the manager of the XYZ Café Company for ten years. XYZ Is a large international chain, and Joe is a competent manager who when franchisees run into trouble XYZ Café company executives send Joe to run their franchise to take over and put their Café in order and amp up their profits. Joe wants to own his XYZ Franchise but has little savings and no assets and few business contacts.

If Joe had not read the No Money Book, he would try and obtain bank loans or government loans through the SBA (Small Business Administration. He might hit up friends and relatives for loans of some kind, and if he is successful in getting the money, he will likely be bankrupt in five years because the debt load will crush the enterprise if the market does not.

But because Joe has read the no money book he has learned that all successful people who own and run a successful business rarely use their own money. They know their skill and talent, and their hard work on the front lines making the business successful **has monetary value in the marketplace**. Joe had a long and proven record for generating profits for XYZ Cafes Joe knows to own 51% of something that cost him nothing, but his hard work and talent is better than owning 100% of an enterprise that is up to its neck in debt. Joe needs to find an investor or investors to “stake “or start up his new venture.

Why would anyone what to invest in Joe’s new Café Franchise?

The answer is obvious. Cash Flow. People and organizations with money want to invest it earn a return. In Joe's case, he has a long a proven record of accomplishment on how to run a profitable café. Joe needs direction though on how to find investors, negotiate with them and deal with them on an ongoing basis.

Where can Joe go to find investors?

Friends & Family

This can be blessing or curse. Much depends on the relationship the budding business person has with the friend or family member. Many established business people are against using friends and family as if the business fails as half or so do within five years it could cause extreme hardship for the investor friend or family member. Friends and family should only be used as a last resort and only if the investor has the resources to swallow the loss should it arrive. Use your judgment in situations with family members.

Angel Investors

An angel investor can be a friend or individual or even a government agency (remember the 2009 bank and auto bailouts?). The term angel investor generally means an individual or business that is in effect buying a portion of the start-up with the hope it will be a good ground floor opportunity and the enterprise will grow and prosper. Countless books can be found on Amazon about Angel Investors and Angel Investing. These are the best

Venture Deals by Brad Feld:

I cannot recommend this incredible book enough. It is a must-have for any aspiring business person. Brad Feld is one of the best authors today on entrepreneurship and getting the new business startups off the ground and financed.

Angel Financing for Entrepreneurs

Written by Susan Preston an experienced angel investor, worldwide speaker and consultant on angel financing, and former Kauffman Foundation Entrepreneur-in-Residence. This book is an excellent resource and belongs in your collection.

How to Raise Capital: Techniques and Strategies for Financing and Valuing your Small Business

Jeffry A. Timmons (Greenfield, NH) is the director of the Price-Babson College Fellows Program at Babson College.

Stephen Spinelli (Longmeadow, MA) is the founder of Moment Lube International and director of Babson's Arthur M. Blank Center for Entrepreneurship.

Andrew Zacharias (Bedford, MA) is the Paul T. Babson Term Chair in Entrepreneurship at Babson.

Business Partnership Essentials:

A Step-by-Step Action Plan for Succeeding in Business with a Partner: Joint Venture & Partnership Agreement Explained

Written by Dr. Doreen Lehavi Ph. D this book is a must-have for your library. Dr. Lehavi is also the author of “Stop Doing What You Hate Start Doing What You Love: How to Leverage Your Talents So You Can Enjoy Your Work and Life.

“This book is bought recommendation if you can find a copy it is unfortunately out of print and very rare.

Two of my Favorites

How to Make Money with Angel Investors: 100 Rules to Get a Start-Up Funded By Troy Knauss & Michael Cain

And

What Every Angel Investor Wants You to Know: An Insider Reveals How to Get Smart Funding for Your Billion Dollar Idea

By Brian Cohen & John Kandor

Tips for Negotiating with Angel Investors

Mac Attram says a well-known lecturer and business coach has said “Remember that angel investors are primarily interested in themselves. That means they won’t decide unless they understand what this product or service is or does and whether there is a demand in the marketplace for it.”

Angel investors need complete faith of the management team’s ability to deliver results in a timely manner. They too answer to the market and the bankers and need to know how much and often they will see a return.

“

Some final words about raising capital using investors. Some are hesitant to invest money with a partner who is not risking any of their capital. Many make the argument that a partner should put up as much capital as he is asking investors to put up. Always remember you will be on the front lines doing the work each day and this has monetary value. Your dream and talent also have monetary value. If the new enterprise is a success, the investor gets his share of the profits for if the enterprise exists and never must lift a finger. I consider Suzie Orman the authority on the subject of startups and new businesses. She has said countless times she never uses her capital to start a new business.

Another point on this subject is when a would-be investor or investors insist on you putting up your own money, then insist on a higher share of the profits and more control over day to day operations. If you are investing all your sweat equity and on top of that they are demanding money, from you, this is reasonable.

More Vital Resources for Start-Up Money

[Angel List](#) is an excellent web site where investors and aspiring business people can learn more about each other. Another site [Invstor.com](#) is another site for those looking for capital for a new startup. When Creating a profile make certain to be specific about your company, product, or service partners and employees — After adding your company, you share your profile with the world at large and professional acquaintances and request references. When others on Angel List follow your company, it will show up to others they know.

Go Public

You can raise capital the same way Henry Ford did when he founded Ford Motor Company, or any of the big industrialists did in the 20th century. You go public and make a stock offering or as it is commonly referred to as “ An IPO “ Initial Public Offering.“ An excellent site on this subject is [Envato](#). For those serious about seeking investment money on Wall Street, I cannot recommend enough the book “[Taking Your Company Public, A Corporate Strategies Manual](#) “ by James Scott.

The Chamber of Commerce

For any aspiring business person joining the local chamber of commerce is vital. You must become a member as soon as possible. Local Chambers sponsor events such as seminars throughout the year and host socials and these kinds of events are always great ways to make connections.

Trade Organizations/ Trade Magazines

Every business and every occupation as a trade or industry organization and a journal or magazine which deals with all the events, news, and comings goings in

that business or field. To find a trade organization it is best to ask someone already in your field of interest or check the local chamber of commerce.

Free and Subscription based trade magazines can be found here.

<http://www.freetrademagazines.com/>

One of the most comprehensive lists of trade magazines and journals can be found here:

<https://www.webwire.com/IndustryList.asp>

No matter what night time job you need to take do not feel ashamed or feel like a failure. Today's labor market is unstable, and many people, even College educated., professionals are having to take full and part-time jobs they would not have dreamed of taking. For those who want to strike out on their own, you may want to consider using a skill you have and turn into a part-time business.

In Demand

Auto Mechanics

Plumbers

Home Handymen

Child Care

Housekeeper

Chef/ Food Catering Service

What special skill or talent do you have?

Tip for Budding Part Time / Home Business Owners

Many years ago, when got my first car I would take it to a wonderful old Cuban mechanic who had a large garage in his backyard. He was a factory worker by trade but had a part-time auto repair business. Most people who brought their cars to him were working class people with old cars, and he would charge them much less than a repair garage. If you were short of money, he would ask for at least half (likely the cost of the parts) and would take payments for the balance (his labor). The independent handyman, housekeeper, etc. has an advantage that a larger firm has that is the ability to extend credit to consumers.

General Rules when Granting Credit

Creditworthy?

As an independent entrepreneur, you will likely have the resources to pull credit reports so when doing so you need to use your judgment as to how reliable the customer will be in making payments, but when granting credits, it is vital to get a simple written agreement about payments, interest rate, and so forth. Having a written agreement is important as if the customer does not pay the bill this written agreement or IOU is evidence of the loss and can be used at tax time as a write-off.

Labor Not Parts

My old Cuban mechanic was right. Figure your cost of the job, materials, parts, etc. and then figure your labor and agree to take payments only on your labor.

Interest

Check and see what the maximum rate of interest allowed in your state is and then decide how much to charge the customer based on the risk involved.

These rules on granting credit lines apply to any business whether it is landscaping, handyman, auto repair or whatever your vocation is. It is a powerful tool that often many like part-time business owners neglect to take advantage of. It can greatly expand your business but use it with caution.

Secrets of the eBay Power Sellers

When one browses eBay, one sees an incredible variety of goods for sale. I am often asked where those sellers get their goods. The answer, by and large, can be found by Google

“Merchandise Liquidators “

“Merchandise Wholesalers”

“Shelf Pulls Merchandise “

Most of the products sold on eBay are manufactures closeouts or overruns. Some are store returns that cannot be sold new and most stores have a buyer who routinely buys their unwanted returns. The Merchandise Liquidator or Wholesaler is usually the buyer. They sell these items on what is called “pallets. “A pallet of merchandise could be a pallet of “open box “microwaves ovens or some other store return or perhaps a pallet of new clothing that came from an importer who could not sell it.

I am one of the oldest eBay sellers going back to 1998. When I started thrift stores like Goodwill were over-flowing with sellable merchandise, and this helped me through some hard years, but that era is over. Today you will need to sell products like everyone else. Many eBay power sellers also have seller accounts on sites such as Amazon.com, Overstock.com, Rakuten & Newegg.com, Ioffer.com

Running a part-time internet selling business can be a good income for a stay at home mom or retired people wanting to earn extra money. It is also a wonderful

opportunity for young people. When I was in my 20s, I could never get people to take me seriously during my forays into entrepreneurship. With the internet, you never see the customer, so this eliminates that problem.

The No Money Book Business Plan for the Single Entrepreneur Selling Goods and Services

Sources of Products

Close-out Liquidators – Auctions - See internet for the latest deal by typing the words “closeout pallets” or “liquidation pallets,” or “store return pallets.”

China Direct: Alibaba, DHGate, are among the many, many, product sources in China and elsewhere for products if you want to import.

Marketing

In addition to eBay, you can open seller accounts on

Amazon.com

Overstock.com

Rakuten.com Marketplace

Etsy.com

Bonanza.com

Shopify.com

One Last Important Word

I recommend that every young man or woman going into full or part-time business take the Cossman Course E. Joseph Cossman was a legend in the field of entrepreneurship and spent decades teaching it to students across the world. I met Joe in 1987 and still have his course. This course is the most comprehensive training program ever done about entrepreneurship and marketing. I cannot recommend it enough. Joe passed away in 2002 but his company still exists, and his course has been updated. I cannot recommend this course enough. Visit

<http://cossman.com/>

This is the end of my book. I hope it will be the beginning of a new life for you and your family. May life bring you happiness, good health, & success in your chosen life vocation.

James J Varela

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